



Daily Report

China

**FBIS-CHI-95-124
Wednesday
28 June 1995**

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28 June 1995

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General

Further Comments From Foreign Ministry Spokesman

Views United Nations Charter

OW2706141695 Beijing XINHUA Domestic Service
in Chinese 1139 GMT 27 Jun 95

[By reporter Yu Haisheng (0060 3189 3932)]

[FBIS Translated Text] Beijing, 27 Jun (XINHUA) — At a news conference held this afternoon, Foreign Ministry Spokesman Chen Jian answered a reporter's question on how China looks upon the important significance of the United Nations Charter under the current international situation.

A reporter asked: The 50th anniversary of the signing of the United Nations Charter falls on 26 June this year. How does China look upon the important significance of the charter under the current international situation?

Chen Jian said: The 50th anniversary of the signing of the United Nations Charter falls on 26 June this year. The signing of this document with historical significance marked an important event in the modern history of international relations. It reflected the strong determination of all mankind longing to be always free from the disaster of a world war as well as their good aspirations to jointly create a world in which peace, prosperity, and cooperation prevail.

He pointed out: Though big changes took place in the international situation and in the United Nations itself over the past five decades, the basic purposes and principles of the charter still have important, immediate significance. As a founding member of the United Nations and as a member of the UN Security Council, China has consistently upheld the dignity of the charter, conscientiously fulfilled the responsibilities entrusted by the charter, and made positive contributions to promoting world peace and development. In the future, China will also make unremitting efforts.

Views Sino-U.S. Ties, Issues

HK2706152495 Beijing ZHONGGUO XINWEN SHE
in Chinese 1145 GMT 27 Jun 95

["Chen Jian Says, Given the Grave Difficulties in Sino-U.S. Relations at Present, it Will Not Do if the U.S. Side Takes No Substantive Action To Change the Situation"—ZHONGGUO XINWEN SHE headline]

[FBIS Translated Text] Beijing, 27 Jun (ZHONGGUO XINWEN SHE)— This afternoon Chinese Foreign Ministry spokesman Chen Jian once again urged the U.S.

side to take real action to solve the grave difficulties currently hindering relations between the two countries.

In response to reporters' questions, Chen Jian said: I would like to emphasize one thing. The grave difficulties in Sino-U.S. relations at present are by no means an ordinary, minor matter. China has demanded that the U.S. side take full responsibility, and adopt effective measures to thoroughly remedy all the bad effects caused by what it has done. It will not do if the U.S. side takes no substantive action but expects to solve the problems with some gestures alone.

During today's routine news conference given by the ministry, a reporter asked Chen Jian: The ruling party and the higher leadership of the Government of Britain have both experienced personnel changes recently. Will that have any influence on Foreign Minister Qian Qichen's visit to Britain later this year and on Sino-British relations?

Chen Jian replied: China has already noted the recent changes within the British ruling Conservative Party. China regards these as an internal affair of Britain. The British side has repeatedly invited Foreign Minister Qian to visit the country. Now the two sides are discussing arrangements for the visit. Enhanced cooperation between the Chinese and British Governments is in keeping with the interests of both the Chinese and British peoples. In particular, cooperation between the two governments on the Hong Kong issue not only accords with the Chinese and British people's interests but is also conducive to a stable transition for Hong Kong.

Today the spokesman also expressed deep worry over the recent deteriorating situation in Bosnia-Herzegovina. He said: China maintains that a priority task is to urge all the parties concerned to effect an immediate cease-fire, then to make that evolve into a sustained peace, and further to develop a stable peace mechanism in the region. China supports any efforts by the international community contributing to the solution of the Bosnia-Herzegovina conflict, and hopes that the international community will support and encourage any attempt by the various parties concerned to carry on the process in pursuit of a political settlement and refrain from taking any action that would possibly complicate the situation.

Human Rights Activist Detained

OW2706112195 Tokyo KYODO in English
1102 GMT 27 Jun 95

[FBIS Transcribed Text] Beijing, June 27 KYODO — A Chinese Foreign Ministry spokesman said Tuesday [27 June] that a U.S. human rights activist was being detained and investigated in western China for activities

carried out in 1994 and refused to elaborate on a possible release date.

Harry Wu, a naturalized U.S. citizen, was detained on June 19 along with U.S. citizen Sue Howell by authorities at the Hargas border crossing in western China's Xinjiang Autonomous Region, said Chen Jian, a ministry spokesman.

"As to what he is being implicated for in this case, I would like to make clear that during his stay in China from April 1 to May 6, 1994, without the approval of the relevant authorities of China, Mr. Harry Wu repeatedly entered the restricted or the unopened areas and organizations of China, thus violating the Law of the People's Republic of China on the Management of the Entry and Exit of Aliens," Chen said.

Chen said the two were presently at the Karamay Guangming Hotel, believed to be in Karamay city in the Xinjiang Autonomous Region, and that the Chinese Government was providing for their food and lodging.

Wu has been a leading figure in the exposure of alleged practices at Chinese prisons, including the sale for transplant of organs from executed prisoners and the export of products made by prison labor.

He served 19 years in Chinese labor prison camps in the 1960s and 1970s after being convicted of holding "rightist" political thoughts in 1957.

His 1994 visit is believed to have been in connection with a British Broadcasting Corp. documentary on the sale of organs for transplant from executed Chinese prisoners, in which Wu posed as a potential buyer of such organs.

When posing as a U.S. importer of goods made by forced prison labor, Wu had earlier exposed a network of trading companies and prisons, including those in which he previously was incarcerated, and embarrassed the Chinese Government which had continually denied such practices exist.

According to a news release from Wu's U.S.-based Laogai Research Foundation, Wu is a holder of a valid U.S. passport and was issued a dual entry visa by the Chinese Government on March 11.

Wu is a prominent human rights activist, who has testified before U.S. congressional committees, European parliament committees and the UN Human Rights Commission, and has written several books on his experiences in China, the release said.

Chen said the Chinese authorities responsible for management of the entry and exit of aliens is continuing the investigation of Wu's case, while the investigation of Howell's case is finished.

Beijing Commended for Women's Conference Efforts

OW2706140995 Beijing XINHUA in English
1309 GMT 27 Jun 95

[By Chen Cailin and Xiao Lingjun]

[FBIS Transcribed Text] Addis Ababa, June 27 (XINHUA) — UN Assistant Secretary-General Mrs Gertrude Mongelia commended China today for its hard work in preparation for the 4th world conference on women, which is scheduled for September 4-15, 1995, in Beijing.

Speaking here in the capacity of the Secretary-General of the Beijing women conference, Mrs Mongelia said China is "committed" to and "works hard" in preparations for the "ever largest" world women conference in history.

"I think China is ready for receiving visitors coming" to Beijing, Mrs Mongelia said, adding there will be a total of 50,000 visitors from across the world to the conference, at which 185 governments will be represented and 2,000 Non-Governmental Organizations (NGOs) will be accredited.

"Equality, Development and Peace" will dominate the agenda for the forthcoming conference, according to Mrs Mongelia, who listed decision-making and empowerment of women as issues of top priorities for the conference.

Without rights to participate in decision making, women can't be said as equal with men. Without empowerment of women in education, health and other respects, it will be difficult for women to participate in the decision making, Mrs Mongelia added.

The Beijing women conference is different from the previous three because it will adopt a platform of action, Mrs Mongelia stressed.

The first three world women conferences were held respectively in Mexico City, Copenhagen and Nairobi.

United States & Canada

CPC Leaders Speak on U.S., Taiwan Policies

HK2806070295 Hong Kong HSIN PAO (HONG KONG ECONOMIC JOURNAL) in Chinese
23 Jun 95 p 26

["Beijing Political Situation" column by Jen Hui-wen (0117 1979 2429) on 21 June 1995 in Beijing: "Authoritative CPC Figures Speak on Policies Toward the United States and Taiwan"]

[FBIS Translated Text] On 2 June, this writer disclosed in this column that in order to counter U.S. President

Bill Clinton's decision to allow Taiwan President Li Teng-hui to visit the United States, which is deemed an act violating the three Sino-U.S. joint communiques, Communist China has formulated "countermeasures" in three stages, one of which is to "recall its ambassador to the United States. This news has already been confirmed.

On 17 June, Chinese Foreign Ministry Spokesman Shen Guofang announced that in light of the current state of Sino-U.S. relations, the Chinese Government has decided to recall Li Daoyu, its ambassador to the United States, to report on his work. On 20 June, Chen Jian, another spokesman for China's Foreign Ministry, said that China has yet to consider when Li Daoyu will return to the United States. Meanwhile, on 16 June, a spokesman for the Taiwan Affairs Office under the State Council said that given that Li Teng-hui flagrantly engaged in activities to create "two Chinas" or "one China, one Taiwan" during his recent U.S. visit, and that he had launched a series of large-scale military maneuvers directed against the mainland, willfully worsening the atmosphere of cross-strait relations, the second Wang-Koo [Ku] meeting could not be held as scheduled. These two retaliatory moves by Beijing against the United States and Taiwan indicate that Beijing does not take Li Teng-hui's U.S. visit as a minor matter, nor will it let the matter go as if nothing had happened. In order to safeguard its territorial integrity and achieve reunification, Beijing is ready to face any challenge.

Great Cause of Reunification Is Above Sino-U.S. Relations

According to a Beijing source, there is a new formulation that is noteworthy in China's reaction to the U.S. decision to allow Li Teng-hui to visit the United States: "True, Sino-U.S. relations are important, but safeguarding our territorial integrity and achieving the reunification of the motherland are even more important." The new formulation comes from the latest speeches of a CPC leader and a Central Military Commission [CMC] leader. Their speeches were passed on to high-ranking cadres at the central and provincial levels on 12 June. The key points are as follows:

"The Taiwan issue all along has been a crucial problem affecting Sino-U.S. relations. There is only one China in the world. The PRC Government is the only legitimate government of China, and Taiwan is an inseparable part of the Chinese territory. This is our consistent and unswerving stance. The United States established diplomatic ties with China on its recognition of China's stance. However, the United States has been playing the "Taiwan card" with us. The present U.S. move

has pushed Sino-U.S. relations to a dangerous state. China and the United States will have a showdown if the latter keeps going on its own way. We will pay close attention to the development of the situation. Now that the United States has made such a move, some countries may follow suit. However, we believe that most of the countries having diplomatic ties with China will strictly live up to the "one China" commitments they made when they established diplomatic ties with China. Only a handful of countries will follow the anti-China forces in the United States to interfere in China's internal affairs.

"Sino-U.S. relations are important, but the great cause of China's reunification is even more important than Sino-U.S. relations. We told the United States long ago that between China and the United States there is no problem of who must rely on whom. The basis of normalization and development of Sino-U.S. relations is that both parties should observe the principles of the three Sino-U.S. joint communiques. Bilateral relations are bound to retrogress, or even split, if the principles of the three joint communiques are violated. As the United States is pursuing a China strategy characterized by hegemonism and power politics, we are prepared to face any challenge. Having dealt with the United States for decades, we brook absolutely no foreign interference in China's internal affairs or meddling in its sovereignty. If we were to waver or compromise on the principled questions of sovereignty and internal affairs, the people would be entitled to oppose such a government."

A person from the political circles in Beijing pointed out that these speeches by CPC leaders imply that in order to safeguard its sovereignty and reunification, China will be resolute, and will not budge the least bit, even if it causes a breakdown in Sino-U.S. relations.

Beijing Intensifies Plan To "Protect Taiwan by Force"

The source added that commenting on the Taiwan issue, the two CPC leaders said: "Peaceful reunification and one country, two systems" are our policies toward Taiwan. These policies were formulated after taking the interests of Taiwan compatriots into account, and they are aimed at maintaining Taiwan's current political and economic systems, and its way of life. This move is beneficial both to Taiwan and to the Chinese nation. However, since Li Teng-hui assumed power in Taiwan, he has gone further down the path of split and separate rule. Now, Li Teng-hui and the Taiwan authorities have openly pursued "two Chinas" or "one China, one Taiwan," and have gone too far. In fact, Li Teng-hui's move is in coordination with the United States' established China strategy of hampering China's

modernization progress by interfering in its internal affairs. We have issued warnings to Li Teng-hui and the Taiwan authorities that pursuing this road is like playing with fire and digging their own grave. Yet they are still perversely pursuing it. We long ago defined our position publicly — if Li Teng-hui and the Taiwan authorities engage in "two Chinas" or "one China, one Taiwan" at a substantive stage, or if foreign forces control Taiwan and turn it into their vassal, then we will resort to firm and resolute military means to resolve and quell it. We have been making such a plan since the mid-1980's, and it has been further finalized in the 1990's. This is the price we have to pay."

In return for Li Teng-hui's recent move of conducting a series of large-scale military maneuvers launched against the mainland and showing off military forces, two southern military regions and the East China Sea and South China Sea Fleets have been on their guard in accordance with a CMC order."

The person from the political circles in Beijing is of the view that the CPC has concluded that Li Teng-hui has taken the road of no return regarding "two Chinas." In addition to arousing the alertness of the people on the two sides of the Taiwan Strait by exposing his plot, the CPC will intensify plans to "protect Taiwan by force" or even "liberate Taiwan by force."

Arouse the China Sentiment of Taiwan Compatriots

The source added that Beijing has particularly noticed that with the lopsided propaganda of the media tools controlled by Li Teng-hui, the "Taiwan independence" sentiments of excluding mainlanders have been running high in recent years. In Taiwan society today, people are hardly allowed to take about reunification, but only "Taiwan independence." Whoever talks about reunification will be severely criticized. What is worst, the so-called "Taiwan traitors" or "traitors conspiring with enemy" have been caught, which makes people from other parts of China feel increasingly isolated and oppressed. Instead of feeling shame, some Taiwan people are proud of calling themselves "Japanese descendants." All these things show how seriously Taiwan society has been poisoned by Li Teng-hui and others. Li Teng-hui is dampening the China sentiments of Taiwan compatriots in order to remove the ideological obstacles to achieving his "two Chinas" goal.

However, Li Teng-hui cannot do as he pleases. There is still the voice of justice in Taiwan society. A recent signed article in Taipei's SHIH-CHIEH LUN-TAN PAO [World Tribune] pointed out that in order to accelerate the pace of promoting "Taiwan independence," Li Teng-hui and the Taiwan independence elements are conspiring with U.S. careerists to split Taiwan province

from China's sacred territory. This will bring the disaster of war to the Taiwan people. However, most Taiwan people who are fooled by "Taiwan independence" and "independent Taiwan" do not even know that a catastrophe is coming soon. Taiwan is a "powder keg" that soon will explode, with Li Teng-hui being the one who will ignite it.

The person from the political circles in Beijing believes that a topic that Beijing cannot but take into serious consideration is how to arouse Taiwan compatriots' China sentiments, to expose Li Teng-hui's true colors of splitting and separately ruling China, and to actively protect the security and prosperity of Taiwan.

Central Eurasia

Li Peng Continues Central Eurasian Visit

Holds Talks With Chernomyrdin

OW2706131795 Beijing XINHUA Domestic Service in Chinese 1332 GMT 26 Jun 95

[By reporters Duan Jiyong (3008 0679 0516), Huang Huizhu (7806 1979 3796), and Zhang Yijun (1728 4135 0193)]

[FBIS Translated Text] Moscow, 26 Jun (XINHUA) — Chinese Premier Li Peng and Russian Prime Minister Chernomyrdin stressed in their talks today that both China and Russia are sovereign nations that will neither allow foreign countries to make indiscreet remarks or criticisms [zhi shou hua jiao 2172 2087 0439 5183] against them nor interfere with their internal affairs.

Holding talks in the Russian Government Building this morning, the two premiers held wide and deep discussions on bilateral relations and international issues and have achieved great results [hen da cheng guo 1771 1129 2052 2654].

The two premiers endorsed the common goal of turning the Sino-Russian borders into a link for eternal peace, tranquility, friendship, and common prosperity.

They maintained that ever-increasing exchanges and cooperation between border areas of the two countries in recent years has promoted economic cooperation for mutual benefit.

The two premiers expressed satisfaction over the development of Sino-Russian relations in the fields of politics, economy and trade, science and technology, and culture in the past year, promising joint efforts and measures to solve some problems existing in personnel exchanges in areas bordering the two countries.

The two leaders said that maintaining regular contacts and dialogues between Chinese and Russian leaders will play an irreplaceable role in deepening mutual understanding and trust and in promoting an all-round development of relations between the two countries.

Touching on border troops reduction talks, the two premiers, during their discussions, maintained that periodic results have been achieved in the past five years or so, that the negotiating process will be speeded up, and that relevant agreements will be signed as soon as possible.

Positively evaluating the Sino-Russian border talks, they unanimously maintained that border issues should be fully and thoroughly settled as soon as possible with strict adherence to signed agreements relating to border issues and in accordance with agreed principles on boundary delineation, making borders of the two countries a link for eternal peace and friendship.

Turning to international issues, the two premiers indicated that both China and Russia are big nations in the world with substantial influence and roles; that the two countries share similar or identical views on many international issues; and that strengthening Sino-Russian cooperation and coordination will enable them to do more things for world peace and stability. They emphasized the necessity for China and Russia to step up consultations and cooperation in international affairs.

Chernomyrdin said: Russia is satisfied with cooperation and consultations between the two countries in the United Nations and its special committees; the Russian Government is grateful to the Chinese Government for its timely support over Russia's admission to the Asia-Pacific Economic Cooperation. Premier Li Peng thanked Russia for supporting China in the Human Rights Commission Conference.

Talking on economic and trade relations between the two countries, Chernomyrdin said: Both Russia and China are the world's big markets drawing international attention. The Russian side agreed to strengthening direct contacts and cooperation between reputed large corporations and enterprises of the two countries, including cooperation in constructing the Liaoning Nuclear Power Station.

Premier Li Peng pointed out: The Chinese and Russian Governments should support and assist establishment of a stable, direct contact mechanism between solid, large corporations and enterprises between the two countries to reduce central links; a trading format based on current foreign exchange may be adopted to benefit both sides.

The Chinese side welcomed Russian corporations with legal person status to take part in China's Three Gorges Project. ●

The two premiers agreed that Chinese and Russian corporations should hold direct talks on construction of Liaoning Nuclear Power Station.

They pointed out that cooperation prospects between Russia and China in the fields of petroleum, electric power, and military industry are excellent, hoping that Chinese and Russian companies will single out some major cooperation projects and go ahead with substantive talks.

The two premiers also exchanged views on cooperation between banks, insurance organizations, and arbitration bodies of the two nations.

Li, Chernomyrdin Meet Media

OW2706122295 Beijing XINHUA Domestic Service
in Chinese 1633 GMT 26 Jun 95

[By reporters Huang Huizhu (7806 1979 3796) and Duan Jiyong (3008 0679 0516)]

[FBIS Translated Text] Moscow, 26 Jun (XINHUA) — Chinese Premier Li Peng and Russian Government Prime Minister Chernomyrdin pointed out today that both China and Russia are sovereign states fully capable of solving and deciding their own business.

After holding talks today, the two premiers signed a joint communique and other cooperation documents and answered reporters' questions. Premier Li Peng said his discussions with Premier Chernomyrdin were mainly on bilateral relations with coverage of international issues. He emphasized that both China and Russia are independent, sovereign nations knowing what to do and how to live without being taught by others. China and Russia have all the capabilities to solve their own problems.

Responding to reporters' questions, Premier Chernomyrdin said that the several documents signed today carried important significance in developing Russian-Chinese relations, and that their talks involved important cooperation in major fields, including Russia's readiness in taking part in China's Three Gorges Hydroelectric Power Station construction project, cooperation in building a nuclear power station in China's Liaoning Province, and a supply of packaged installations to China on loans provided by the Russian Government. He said Russia and China will cooperate in building the Heilongjiang border bridge, an important project having a great role to play in solving Russian-Chinese border trade and transportation problems.

A Taiwan reporter asked: Will Li Denghui [Li Teng-hui] be able to attend the Asia-Pacific Economic Cooperation (APEC) conference to be held in Japan's Osaka this

year and make use of this international venue to meet President Jiang Zemin? Premier Li Peng firmly indicated that it will be absolutely impossible, as explicitly stipulated by APEC. The PRC Government is the only legitimate government for all of China with Taiwan as an inalienable part of its territory. China joined APEC in its capacity as a sovereign country, whereas Taiwan, as a province of China, was admitted in its capacity as a regional economy. Taiwan can only assign its economic officials to attend the meeting.

Premier Li Peng said that, during the talks, Premier Chernomyrdin reiterated Russia's persistence in its one-China stand and endorsed the PRC Government as the only legitimate government in China.

Answering questions on Chechen issue, the Russian premier said that the Russian Government delegation is currently holding talks with the Chechen side on a political settlement of the issue; the talks are developing in the right direction. He reaffirmed that the Russian Government will use all possible means to solve the Chechen issue politically. Premier Li Peng said that the Chinese people sincerely hope that Russia will have a stabilized situation, a developed economy, and an ever-enhancing standard of living among its people.

The Chinese and Russian leaders signed seven bilateral cooperation documents today. In addition to the joint communique, which was personally signed by the two premiers, other inked documents included an extradition pact, an agreement between the two governments to jointly build a bridge over the boundary river of Heilongjiang to link China's Heihe and Russia's Blagoveschensk, and an accord on mutual recognition of academical qualifications, degrees, and certificates.

Officials attending the signing ceremony included Chinese Vice Premier Wu Bangguo and Oleg Davydov, Russian vice premier and foreign trade minister.

Meets Duma Chairman

OW2806101995 Beijing XINHUA Domestic Service in Chinese 1623 GMT 26 Jun 95

[By reporters Zhang Yijun (1728 4135 0193) and Zhang Tiegang (1728 6993 6921)]

[FBIS Translated Text] Moscow, 26 Jun (XINHUA) — Premier Li Peng had a cordial and friendly meeting with Ivan Rybkin, chairman of the State Duma of Russia, at the Duma this afternoon.

Rybkin expressed his thanks when Premier Li Peng conveyed regards to him from Chairman Qiao Shi. He said: "When I visited China last year, I witnessed the achievements China had made in economic develop-

ment. We admired China's achievements." He believed that China's reform experiences are worth studying and learning from by Russia. Rybkin said he was very happy to learn that the talks by the premiers of the two countries were very successful this morning and that a number of documents were signed. This he said is beneficial to pushing forward the friendly bilateral cooperation between the two countries.

Premier Li Peng said: "We respect the road of development chosen by the Russian Government. We believe Russia will overcome temporary difficulties and gradually restore and develop its economy."

Premier Li Peng said Chairman Rybkin's appraisal of the development of Sino-Russian relations is correct. He particularly noted that at a hearing held in early March this year, the Russian Parliament confirmed the Agreement on the Eastern Sector of the Border Between China and Russia signed in 1991. This demonstrates the principled attitude that no revisions of the agreement will be tolerated. This is beneficial to both countries. Now, the Russian parliament has ratified the Agreement on the Western Sector of the Sino-Russian Border. China expresses appreciation for the ratification of the agreement.

Li Peng said: Parliaments can play their special role in promoting bilateral relations between countries. "We actively support the Russian parliament and the Chinese National People's Congress [NPC] in strengthening exchanges and cooperation at various levels so as to enhance mutual understanding and make contributions to developing long-term friendly cooperative relations between China and Russia."

Rybkin said: Russia's State Duma supports the agreement on the border issue signed by the governments of the two countries and hopes that the two countries will have a tranquil and friendly border. He said there is great potential for Russian-Sino cooperation in various areas. Russia's Duma, which enjoys very good relations with the Chinese NPC, supports the Russian Government's positive efforts in developing relations with China. The Duma has made its own efforts for the growth of relations between the two countries and will make greater contributions to it in the future.

This afternoon, Vice Foreign Minister Dai Bingguo held talks with his counterpart, Russian Vice Foreign Minister Aleksandr Panov. Both sides expressed satisfaction with the cooperation of the foreign ministries of the two countries on international issues and hope to further strengthen consultations and cooperation.

Banquet Held at Government Hall

OW2706124995 Beijing XINHUA Domestic Service
in Chinese 1850 GMT 26 Jun 95

[By reporters Zhang Tiegang (1728 6993 6921) and
Zhang Yijun (1728 4135 0193)]

[FBIS Translated Text] Moscow, 26 Jun (XINHUA) —
Russian Prime Minister Chernomyrdin gave a banquet
at the government banquet hall this evening to extend
a warm welcome to Chinese State Council Premier Li
Peng and his entourage.

At the banquet, the two premiers proposed repeated
toasts for the friendship and cooperation between the
peoples of the two countries.

In his toast, Chernomyrdin said, "I am very delighted to
welcome the head of the PRC Government and other
distinguished Chinese guests in the Russian capital."
Our meeting today takes place shortly after Moscow
ceremoniously commemorated the 50th anniversary of
the victory on the European battleground. The 50th
anniversary of the victory of the Pacific War is drawing
near. The last war tells us that we should cherish
the historic fruits achieved by the two countries and
their peoples. The Russian prime minister said, "It
is fully possible that the two countries can establish
close cooperation in their economic development. The
drop in two-way trade volume last year sounded out a
signal, that is, the extensive form of trade and economic
cooperation had already reached its end. A resolute shift
to a new form of trade and economic cooperation should
be conducive to expanding the realm of bilateral ties and
should conform with the common interests of our two
countries."

Chernomyrdin emphasized: "These issues are the focus
of our discussion today. I can say with satisfaction that
the joint search for new ways and means of cooperation
of mutual benefit is bearing encouraging fruits. We
are fully confident of the prospects of Russian-Chinese
ties. As a Russian saying goes, paths are hewn out by
people."

Premier Li Peng thanked the host for his kind invitation
and warm reception, and conveyed the Chinese people's
cordial greetings and salute to the Russian people.

Li Peng said, "I spent some time here in my youth.
Several decades have passed since then. During that
time, I visited the country on many occasions, and
each visit evoked my sweet memory of experiencing
the Russian people's profound feelings for the Chinese
people. As an old Chinese saying goes, 'the more
exchanges of visits between neighbors, the closer their
relations.' This best describes the exchanges of visits
between leaders of China and Russia."

Li Peng said, "In 1992, President Yeltsin paid a suc-
cessful visit to China, which opened a new phase in
Sino-Russian relations; last year President Jiang Zemin
visited Russia, during which a goal was set for devel-
oping a long-term and stable relationship of good neigh-
borliness, friendship, and cooperation of mutual bene-
fit between the two countries with the 21st century in
perspective. Also in May 1994, Chernomyrdin paid a
successful visit to China. Now, I am paying a recip-
rocal visit to Moscow at the invitation of the Russian
Federal Government to continue the work we started in
Beijing."

Li Peng said: China and Russia are two giant countries,
and China and Russia are two great nations which have
made significant contributions to civilization and the
progress of mankind. The friendship and cooperation
between China and Russia benefit not only the peoples
of the two countries but also world peace and stability.
The two countries should therefore strengthen their
cooperation and play a greater role in establishing a
rational international political and economic new order.

Premier Li Peng's wife Zhu Lin, State Council Vice
Premier Wu Bangguo, and Director Liu Huaqiu of
the State Council Foreign Affairs Office attended the
banquet.

Li, Yeltsin Hold Talks

OW2806023495 Beijing XINHUA Domestic Service
in Chinese 1306 GMT 27 Jun 95

[By reporters Duan Jiyong (3008 0679 0516) and Zhang
Yijun (1728 4135 0193)]

[FBIS Translated Text] Moscow, 27 Jun (XINHUA) —
Chinese Premier Li Peng met with Russian President
Yeltsin in the Kremlin this morning.

The two leaders had a thorough and fruitful discussion
on relations between their two countries and major
international issues in a cordial, friendly and sincere
atmosphere. The two shared a common understanding
of a wide range of issues.

Yeltsin first of all warmly welcomed Li Peng's visit
and asked Li Peng to convey his cordial regards to
President Jiang Zemin. He also happily recalled his
December 1992 meeting with Premier Li Peng in New
York. Yeltsin said that since his 1992 visit to China,
there had been a breakthrough in Sino-Russian relations.
No political problems or differences existed between the
two sides.

Yeltsin said: What the two sides are discussing now
is what to do and how to do it. A partnership is
gradually taking shape between China and Russia and it

will greatly benefit the two countries and their peoples. He said he would visit China this autumn and he believed the visit would provide a new motive force for the development of bilateral friendly and cooperative relations.

Yeltsin spoke highly of the results of talks between Premier Li Peng and Prime Minister Chernomyrdin, saying Premier Li Peng's visit had made a major contribution to further promoting the development of the Russian-Chinese partnership.

Li Peng conveyed President Jiang Zemin's cordial regards to President Yeltsin. Li Peng said: "President Jiang Zemin and I are looking forward to President Yeltsin's visit to China this autumn." He said he had held effective talks with Prime Minister Chernomyrdin on a series of issues concerning the development of bilateral relations.

Li Peng said: China and Russia share a long common boundary. I believe that with concerted efforts made by the two sides, the Sino-Russian border surely can become a key region of lasting peace, friendship and cooperation. For this reason, both sides should strictly abide by the boundary agreements, reach a consensus on disarmament in the border region and on trust measures in the military field, and sign relevant documents as soon as possible. Yeltsin agreed with him on this.

Li Peng said he believed that after some necessary measures were taken by each side, further progress would be made in Sino-Russian economic cooperation and trade, because the two countries had the advantage of being geographically close, both had great economic potential, and their economies were mutually complementary. He said there is no conflict of fundamental interest between the two countries, and China is willing to establish lasting, close, friendly and cooperative relations with Russia. The two sides also exchanged views on continuing to develop cooperation in military technology.

President Yeltsin expressed his thanks for President Jiang Zemin's presence not long ago at the 50th anniversary celebration of the victory of the Anti-Fascist War in Moscow. Li Peng said: President Jiang Zemin's presence at that celebration showed the Chinese people's respect for and friendship with the Russian people, as well as the common aspiration of the Chinese people and the Russian people. None of us want to see the recurrence of a disastrous war like that, and all of us want to contribute to world peace and development.

On international issues, Yeltsin said Russia and China now enjoy good cooperation in the international arena and the two countries now shoulder major responsibilities for safeguarding world peace. Thus, he said, he

hopes the two countries will continue to coordinate their positions, and cooperate with and support each other in international affairs.

Li Peng expressed his agreement with what Yeltsin said on the issue. He said: A just and rational new political and economic order is yet to be established in the world and there are certain countries which always like to teach other countries how to work and live. This situation should be changed.

Present at the meeting on the Chinese side were Vice premier Wu Bangguo, Chinese ambassador to Russia Li Fenglin, and director of the Foreign Ministry's Department of East European and Central Asian Affairs Zhang Guangde.

Present at the meeting on the Russian side were Russian Prime Minister Chernomyrdin, the President's foreign affairs adviser Ryurikov, and Russian ambassador to China Rogachev.

International Issues Discussed

OW2706132595 Beijing XINHUA in English
1311 GMT 27 Jun 95

[FBIS Transcribed Text] Moscow, June 27 (XINHUA) — Chinese Premier Li Peng and Russian President Boris Yeltsin held discussions on relations between their two countries and major international issues here this morning.

On international issues, Yeltsin said Russia and China now enjoy good cooperation in the international arena and the two countries now shoulder major responsibilities for safeguarding world peace.

Thus, he said, he hopes the two countries will continue to coordinate their positions, cooperate with and support each other in international affairs.

At the meeting, Li Peng expressed his agreement to what Yeltsin said on the issue.

He said a just and rational new political and economic order is yet to be established in the world and there are certain countries which always like to teach people in other countries how to work and live. This, he said, should be changed.

Also present at the meeting were Chinese Vice-premier Wu Bangguo and Russian Prime Minister Viktor Chernomyrdin.

Li Holds Interview

OW2706182395 Beijing XINHUA in English
1816 GMT 27 Jun 95

[FBIS Transcribed Text] Moscow, June 27 (XINHUA) — Visiting Chinese Premier Li Peng said today that

the pluralization of the world development could be conducive to world peace.

In an interview with Russian and Chinese journalists here this afternoon, the Chinese premier said if and when there were only a few nations that dominate the world affairs, there would be no stability in the world and thus no guarantee for world peace.

Li Peng made the remarks in answering a question from a Russian journalist.

The Chinese premier said that China holds that all countries, big or small, rich or poor and strong or weak, are equal members of the international community and therefore China opposes interference in other countries' internal affairs by any country under any pretext.

The affairs of a country should be taken care of by the people of the country themselves, Li stressed.

The premier noted that there are certain countries which always like to teach others how they should work and live.

He said the world now is not as tranquil and stable as certain people expected, while contradictions, conflicts and even regional wars are seen in many regions instead.

He stressed that a just and rational international political and economic new order should be established.

Embassy Banquet Held

OW2706173195 Beijing XINHUA in English
1719 GMT 27 Jun 95

[FBIS Transcribed Text] Moscow, June 27 (XINHUA) — Chinese Premier Li Peng and his Russian counterpart Viktor Chernomyrdin stressed here this evening the need to further friendship and cooperation between the two countries.

They expressed the hope at a banquet held in the Chinese Embassy by Ambassador Li Fenglin to mark the Chinese Premier's visit to Russia.

Li Peng arrived in Moscow on Sunday for a four-day official visit, during which he held talks with Chernomyrdin and had a meeting with Russian President Boris Yeltsin. He also signed a number of documents on bilateral cooperation.

Proposing a toast, the Chinese Premier described his current visit as "fully successful," adding that the visit will further develop friendship and cooperation between China and Russia.

Li Peng said that China and Russia, two large countries in the world, share common views on many world issues and will play greater roles in dealing with world matters.

Chernomyrdin, on his part, said the Chinese Premier's visit has made a new step forward in advancing bilateral relations between the two countries.

The two premiers agreed during their talks to expand bilateral cooperation in the trade-economic, scientific-technological, cultural and other fields, according to Chernomyrdin.

The Russian Prime Minister also disclosed that President Yeltsin will visit China later this year to give new impetus to relations between the two countries.

Leaders Speak at Reception

OW2806051495 Beijing XINHUA Domestic Service
in Chinese 1846 GMT 27 Jun 95

[By reporter Huang Huizhu (7806 1979 3796)]

[FBIS Translated Text] Moscow, 27 Jun (XINHUA) — Chinese Ambassador to Russia Li Fenglin and his wife Sun Min hosted a grand reception in honor of visiting Chinese Premier Li Peng and his wife Zhu Lin in the embassy tonight. Russian Prime Minister Chernomyrdin and his wife Valentina Chernomyrdin attended the reception on invitation.

Proposing an ebullient toast, Premier Li Peng said that his visit to Russia has been a complete success, and he and President Yeltsin and Prime Minister Chernomyrdin had had a common understanding of a wide range of issues during their meetings.

Premier Li Peng said that a profound friendship exists between the Chinese people and the Russian people. He hopes that his visit will further enhance the Sino-Russian friendly and cooperative relations.

Premier Li Peng pointed out: China is building socialism with Chinese characteristics and pursuing a policy of reform and opening up. The Chinese people, united as one under the leadership of the CPC Central Committee with Comrade Jiang Zemin at its core, can surely overcome difficulties accompanying our advance, carry out reform well, open up even wider, and bring about sustained, rapid, and healthy economic development.

He added: The present world situation is undergoing a profound change, with a developing trend of multipolarization; but the world is not yet peaceful. China and Russia are influential countries sharing identical or similar views on many international issues. He hopes that in the years to come, China and Russia will continue to step up cooperation and consultations in international affairs and play the roles their importance demands in promoting world peace and development.

Prime Minister Chernomyrdin, for his part, spoke highly of Premier Li Peng's visit to Russia. He said it was

a very successful visit which would surely further promote the development of Russian-Chinese relations.

The Russian prime minister pointed out that Russia and China, as two great countries, should always live in friendship and harmony and promote in an all around way bilateral cooperation in economic, trade, science and technology, cultural and other fields. He believes President Yeltsin's visit to China later this year will give new vitality to relations between the two countries.

The reception proceeded in a warm and friendly atmosphere. Premier Li Peng and his wife had a cordial conversation with Russian friends of all circles. They proposed repeated toasts and exchanged good wishes.

More than 300 guests were invited to the reception. They included Russian Deputy Prime Minister Shakhrai, Russian ambassador to China Rogachev and his wife, a number of Russian cabinet members, and well-known figures of various circles.

Chinese guests at the reception included Vice Premier Wu Bangguo and State Councillor and Minister of the State Nationalities Affairs Commission Ismail Amat, who is also visiting Russia.

Visit 'Complete Success'

OW2806030295 Beijing XINHUA in English
0245 GMT 28 Jun 95

["Roundup: Chinese Premier's 3-Nation Trip Fruitful"]

[FBIS Transcribed Text] Moscow, June 28 (XINHUA) — Chinese Premier Li Peng today wrapped up his eight-day trip to Belarus, Ukraine and Russia and left here for home having made notable achievements.

Chinese Foreign Ministry spokesman Shen Guofang, who accompanied Li on the visit, said the Chinese Premier's four-day Russia visit had been a complete success.

Li reached consensus and common understanding on bilateral cooperation in various fields and on a number of major international issues with Russian leaders, Shen said.

Enhancing bilateral trade and economic cooperation was the main topic of the talks between Li and his Russian counterpart, Viktor Chernomyrdin, and the two leaders agreed to the gradual replacement of the traditional barter trade with modern means of repayment.

They also agreed to promote cooperation in such fields as nuclear power, the application and development of high technology, especially military-related technologies.

Li's visit brought the perspectives of the two countries closer together, not only in building a new type of constructive partnership between them, but also in enhancing their cooperation in international affairs with an eye to the next century, Shen said.

Leaders of the two sides expressed their belief that as permanent members of the UN Security Council, China and Russia should play a greater role in international and regional affairs.

Meanwhile, as two sovereign states, China and Russia share the belief that every nation, no matter big or small, strong or weak, rich or poor, should have the right to choose its own way to develop in line with its actual national conditions, and no country should be allowed to interfere in another's internal affairs.

Reaching consensus on these issues will be of great importance for furthering Sino-Russian relations which are vital to world peace and development, Shen said.

Before traveling to Russia, Li had visited Belarus and Ukraine, meeting with their leaders on bilateral relations and other issues of common interest.

In all three countries he signed a series of cooperation documents which local press reports said would help boost their trade and economic ties.

Diplomats here said that the Chinese premier's three-nation tour was a fresh demonstration of the great importance which China attaches to forging closer ties with the Commonwealth of the Independent States (CIS).

China and the CIS have maintained frequent exchanges of visit at a high level over the past few years. Leaders of all CIS countries have visited China, and last year Chinese President Jiang Zemin and Premier Li Peng have visited Russia, Ukraine and a number of central Asian countries.

Li's visit will surely advance China's good relations with these CIS countries to a new stage, local press reports said.

Ends Visit, Departs for Home

OW2806070195 Beijing XINHUA in English
0647 GMT 28 Jun 95

[FBIS Transcribed Text] Moscow, June 28 (XINHUA) — Chinese Premier Li Peng left here this morning for home, winding up his four-day successful official visit to Russia.

Before his departure at Moscow's Vnukovo-2 airport, Li described his current visit as "successful" and stressed

the need to further bilateral friendship and cooperation between the two countries.

Russian Prime Minister Viktor Chernomyrdin saw him off at the airport.

The Chinese Premier arrived in Moscow on Sunday [25 June]. On Monday, he held talks with his Russian counterpart Chernomyrdin, and on Tuesday, he met with Russian President Boris Yeltsin.

During their talks, the two sides expressed hopes to expand cooperation between China and Russia, two big countries, not only in bilateral relations but also in dealing with world matters.

The two sides stressed the need to introduce more actively present-day forms of interaction, to perfect payments and to improve the infrastructure of the insurance of businesses.

They declared that the two great powers, China and Russia, do not need instructions and will be able to decide themselves how they should live.

As a result of the talks, Li and Chernomyrdin signed a package of documents concerning bilateral cooperation in the trade-economic, scientific-technological, cultural and other fields.

In a joint communique released here Tuesday, the two sides described as very important the forthcoming visit of President Yeltsin to China.

Li invited Chernomyrdin to pay an official visit to China, and the invitation was "gratefully accepted." The timetable of the visit will be agreed upon through diplomatic channels.

Commenting on the Chinese Premier's current visit, a diplomat here stressed today that it contributes not only to the development of the Chinese-Russian relations but also to the peace and stability in the Asian-Pacific region and the world as a whole.

While staying in Moscow, Li visited the Moscow Dynamics Institute, where he studied from 1948 to 1954. The institute awarded an Honorary Doctor's Degree to him Tuesday.

Northeast Asia

Song Jian Meets Japanese Environmental Group
OW2706160295 Beijing XINHUA in English
1449 GMT 27 Jun 95

[FBIS Transcribed Text] Beijing, June 27 (XINHUA) — State Councillor and Minister of the State Science and Technology Commission Song Jian today said the Chinese government will further open to the world and

strengthen international exchanges and co-operation in order to realize environmentally-sound development.

Meeting an environmental co-operation delegation of the Japanese Government, Song, who is also the director of the Environment Commission of the State Council, said he hoped that the Japanese friends could come up with positive suggestions during their stay in China.

He said China's economy has grown rapidly over the past few years, and a series of achievements have been made. However, he said, this has also brought about a few environmental problems — air and water pollution, for example — which to some extent have hindered the economic and social development.

Song pointed out that some local leaders in China are not yet sufficiently aware of the problems of environmental pollution and ecological damage, and in some areas the environment problem has become acute.

He said China and Japan can expand co-operation in the field of environment.

The Japanese delegation had undertaken discussions and research on such topics as treatment of water pollution, prevention of acid rain and ecological protection together with the State Bureau of Environment Protection of China.

Liaoning-Seoul Air Routes Carry More Tourists
OW2806082195 Beijing XINHUA in English
0750 GMT 28 Jun 95

[FBIS Transcribed Text] Shenyang, June 28 (XINHUA) — The air routes linking northeast China's Liaoning Province with Seoul, capital of the Republic of Korea (ROK), have become popular among tourists since the beginning of June this year.

"Tickets for July's flights from Seoul to Shenyang have all been sold out," said Zhen Dehua, the Seoul representative of China Northern Airlines.

Information from Korean Airlines also shows that tickets for flights from Seoul to Shenyang during the New Year holidays and the Lunar Spring Festival in 1996 have also been booked up.

When the routes were launched last December, China Northern Airlines and Korean Airlines offered seven flights a week to link Seoul with Shenyang and Dalian cities.

After only two months, China Northern Airlines, which used MD-82 planes, cut the number of flights due to a lack of passengers.

But since this April, routes have become busy, as an increasing number of tourists and businessmen are

shuttle between the ROK and northeast China, where 1.9 million ethnic Koreans live and which has been a hot spot for ROK investment since the two countries established diplomatic relations in 1991.

Now, China Northern Airlines has changed to using A300-600s passenger planes with 278 seats to handle the busy air routes.

In order to improve services and give passengers a novelty, China Northern Airlines and the Korea Airlines have agreed to exchange their stewardesses.

"They are expected to become the two most profitable international air routes in East Asia by the end of this century," said Jiang Lianying, manager of China Northern Airlines.

So far, there are three Chinese airlines — Air China, China Eastern Airlines and China Northern Airlines — which have been authorized to fly China-ROK air routes linking Seoul with Beijing, Shenyang, Tianjin, Qingdao, Dalian and Shanghai, since September 1994.

Southeast Asia & Pacific

Security Forces Suspected in New Piracy Incident

HK2706040295 Hong Kong SOUTH CHINA MORNING POST in English 27 Jun 95 p 3

[By Andy Gilbert]

[FBIS Transcribed Text] Fears of a new campaign of piracy by Chinese security forces in the South China Sea were growing yesterday. A freighter was spotted being led towards China, the second ship to be taken recently in similar circumstances. The managers of the Panama-registered Hye Miekko said yesterday the freighter, laden with a US\$2 million (HK\$15.46 million) cargo of cigarettes and camera equipment, was seen heading towards Hong Kong and China after being hijacked in the Gulf of Thailand. Captain Elvies Manansan, of Singapore-based HM Shipping and Trading said an aircraft hired by the company saw the Hye Miekko being escorted by a suspected Chinese gunboat off the east coast of Vietnam on Sunday.

On March 24 another of his company's cigarette-carrying ships Hye Prosperity was hijacked 100 kilometres south of the Hye Miekko hijack and ended up in the Chinese port of Shanwei, just 100km east of Hong Kong. "This looks like the same thing," said Captain Manansan. "We spotted the Hye Miekko being escorted by a Chinese gunboat and we are sure it is also heading for Shanwei." A company representative was due to fly to Hong Kong last night before travelling to Shanwei to seek the release of the vessel and its 14 crew. A protest would also be lodged at the Chinese Embassy in Singapore.

Director of the Hong Kong Shipowners' Association, Michael Farlie, speculated that the incident appeared to be similar to a spate of hijackings more than a year ago. "This seems to be a variation of the same theme," Mr Farlie said. "It fits the profile of the sort of monkey business that was going on in this area last year. It is possible the Chinese authorities got wind of this ship and used heavyhanded tactics."

Several hijacks were reported in the South China Sea more than a year ago many of which led back to Chinese security forces. The SOUTH CHINA MORNING POST traced one ship, the Alicia Star, to Shanwei in February last year. Most piracy incidents have been centred in the Hong Kong-Luzon-Hainan triangle, according to the International Maritime Bureau in Kuala Lumpur, which said the Gulf of Thailand could become a new hunting ground.

The Hye Miekko sailed from Singapore last Tuesday heading for Kas Kong in Cambodia. It was last heard from at 10 pm on Friday. Captain Manansan said the aircraft crew could not see a flag or anyone on board the ship. "No communication could be made with either vessel," he said. At its estimated speed it could have arrived in Shanwei yesterday.

Captain Manansan feared the mainly Indonesian crew may have suffered the same fate as those on the Hye Prosperity which was seized by Chinese officers wielding machine-guns. "They were taken to Shanwei where the goods were taken and the crew were kept for a few days before being released with the ship." He said the Chinese forced them to sign documents saying they were smuggling cigarettes to China before confiscating the goods, loading the vessel with fuel and provisions and releasing them.

The Maritime Rescue Co-ordination Centre in Hong Kong is sending hourly radio messages requesting the Hye Miekko to respond and asking other ships in the area to report sightings.

Chinese Foreign Ministry officials in Beijing declined to comment.

Spokesman Denies Involvement

HK2806012195 Hong Kong SOUTH CHINA MORNING POST in English 28 Jun 95 p 5

[By Libby-Jane Charleston]

[FBIS Transcribed Text] The Royal Navy has been instructed to look out for a hijacked freighter expected to be close to the territory this morning. HMS Starling, a duty patrol ship, started searching yesterday for the vessel which was taken by pirates on June 21 as it neared Cambodia.

The owners of the Panamanian-registered Hye Miekko have called on Beijing for help in launching a rescue operation. The Singapore-based HM Shipping and Trading said Chinese authorities had agreed to send a ship to patrol the coast. Company spokesman Karen Loi said manager William Tay would today leave for the Chinese port of Shanwei, where he believes the vessel is heading. If the Hye Miekko ended up in Shanwei, "that's the end of everything. This is pure daylight robbery", Mr Tay said yesterday.

In Beijing, a Chinese Foreign Ministry spokesman said he knew nothing of the incident, adding: "If the ship was hijacked on the high seas adjacent to no country, to say that the ship was hijacked by members of China's military is not justified."

Mr Tay's company hired a Lear jet over the weekend to track down the vessel in international waters and saw it heading for southern China, followed by another ship that is believed to be a Chinese gunboat. They circled and approached the vessel off the Vietnamese coast but attempts to make radio contact failed. It was carrying a commercial shipment of cigarettes and camera equipment worth US\$2 million (HK\$15.46 million).

Company officials said they feared for the safety of the 14 crewmen, including 10 Indonesians, one Filipino and three Burmese. "We have contacted the Chinese Embassy in Singapore and they will let us know as soon as they hear anything," said Ms Loi. "We are very worried about the crew because nobody can tell us exactly where the ship is located and whether they are safe."

HMS Starling was given a detailed description of the freighter and is instructed to report any sightings. "Nobody knows exactly where it is so we can only guess it is near Hong Kong," said garrison spokesman Captain Mark Bailey. "We are simply looking into it because, at the moment, it isn't a Hong Kong problem."

The Marine Department estimated the vessel, which was last sighted about 780 nautical miles south of the territory, would be close to Hong Kong at 7 am today. "We will give whatever help is needed but it is really nothing to do with us at this stage," said a Marine Police spokesman.

Director of the Hong Kong Shipowners' Association Michael Farlie said there was little the Singapore owners could do. "I can't imagine the Singaporean Government will get behind them because they might be reluctant to be drawn into this," he said.

Burmese Minister Leaves for Beijing

OW2106135695 Beijing XINHUA in English
1304 GMT 21 Jun 95

[FBIS Transcribed Text] Yangon [Rangoon], June 21 (XINHUA) — Myanmar [Burmese] Deputy Foreign Minister U Nyunt Swe and his party left here for Beijing this afternoon to attend a consultative meeting in China.

There have been irregular consultative meetings between officials of the foreign ministries of the two countries in recent years.

Chinese Vice-Foreign Minister Yang Fuchang visited Myanmar in May 1992 for the first consultative meeting in Yangon.

Meets Qian Qichen

OW2306125195 Beijing XINHUA in English
1151 GMT 23 Jun 95

[FBIS Transcribed Text] Beijing, June 23 (XINHUA) — Chinese Vice-Premier and Foreign Minister Qian Qichen met with Myanmar [Burmese] Vice-Foreign Minister U Nyunt Swe and his party here today.

U Nyunt Swe and his party arrived here Wednesday [21 June] as guest of Chinese Vice-Foreign Minister Tang Jiaxuan. U and Tang had discussions Saturday on international and regional issues of common concern.

During the discussions, Tang and U signed on behalf of their respective governments an agreement on the second joint inspection on China-Myanmar [Burma] border.

In today's meeting, Qian said that China and Myanmar had properly settled the border issue and the two sides successfully conducted the first joint inspection recently.

He said the two sides will continue to make effort to further improve the management order along the border so as to make the border area one of peace, friendship and prosperity.

The vice-premier noted that this year marks the 45th anniversary of the establishment of diplomatic relations between China and Myanmar.

Over the past 45 years, bilateral relations have been growing smoothly, Qian said, adding that leaders of the two countries have maintained the exchange of visit, and the two countries have had effective cooperation in political, economic, cultural, sports, anti-drug and other fields.

The Chinese government and people, he noted, treasure their traditional friendship with Myanmar. He hoped that the two countries make joint efforts for pushing

the existing friendly relations and cooperation to a new and higher level.

Qian also noted that the economic and trade cooperation between China and Myanmar have a broad prospect.

Echoing Qian's comment on bilateral relations, U Nyunt Swe said that his government and people value the brotherly ties with China and hope such ties will be sustained.

Agricultural Minister Liu Jiang Visits Burma

*OW2506131995 Beijing XINHUA in English
1113 GMT 25 Jun 95*

[FBIS Transcribed Text] Yangon [Rangoon], June 25 (XINHUA) — Chinese Agricultural Minister Liu Jiang and his party arrived here this afternoon to begin a five-day visit to Myanmar [Burma].

At the invitation of Myanmar Minister for Agriculture Lieutenant General Myint Aung, the Chinese Minister came to the country for the visit.

The two sides will have discussions on cooperation in the field of agriculture.

Indonesian Government Focuses on Gas Project

*OW2406031595 Beijing XINHUA in English
1140 GMT 8 Jun 95*

[FBIS Transcribed Text] Jakarta, June 8 (XINHUA) — The Indonesian Government is counting on the participation of local private companies in developing a 42 billion U.S. dollar gas extraction project in the Natuna Islands in the South China Sea.

State Minister of Research and Technology B.J. Habibie has been appointed by President Suharto to head the project.

Habibie has installed four officials to assist him in managing the Natuna gas project, according to a release of the ministry.

The Natuna project, billed as the world's largest development project to date, is jointly owned by Indonesia's state-owned oil company, Pertamina, and Esso Natuna Inc. of the United States, with each holding a 50 percent share under the deal signed in January this year after 10 years of negotiations.

Habibie was quoted as saying that the mega-project must benefit the people, among other things, involving as many local companies and workers as possible.

He stressed that only companies that met with international standards would be selected for participation in the project.

The Natuna gas field, located 225 kilometers northeast of Natuna Island, is estimated to contain 222 trillion cubic feet of the high content of carbon dioxide. [sentence as received] The field could yield 30.5 million tons of gas per year for 20 years and half of the gas output would be exported.

Zou Jiahua Plans Singapore Visit

*OW2206154195 Beijing XINHUA in English
1451 GMT 22 Jun 95*

[FBIS Transcribed Text] Singapore, June 22 (XINHUA) — Chinese Vice Premier Zou Jiahua will visit Singapore from June 24 to 29 at the invitation of Singapore Deputy Prime Minister Lee Hsien Loong, the Ministry of Trade and Industry announced today.

During his stay here, Zou will call on President Ong Teng Cheong, Prime Minister Goh Chok Tong and Senior Minister Lee Kuan Yew. He will also meet with Deputy Prime Minister Lee Hsien Loong and other senior government officials, the Ministry said.

It said Zou will give a talk on "The Economic Situation and Reform in the People's Republic of China," which will be organized by the Economic Development Board (EDB) of Singapore next Monday.

The EDB said the purpose of Zou's visit is "to further strengthen the bilateral economic relations between the two countries."

The Vice Premier, who last visited Singapore in August 1988, will be accompanied by Yie Qing, Vice Minister in charge of the State Planning Commission; Sun Zhenyu, Vice Minister of Foreign Trade and Economic Cooperation; Wang Yang, Deputy Governor of Anhui Province, and other government officials.

Arrives in Singapore

*OW2406144395 Beijing XINHUA in English
1413 GMT 24 Jun 95*

[FBIS Transcribed Text] Singapore, June 24 (XINHUA) — Chinese Vice Premier Zou Jiahua arrived here today on a five-day visit to Singapore at the invitation of Singapore Deputy Prime Minister Lee Hsien Loong.

During his stay here, Zou Jiahua will call on President Ong Teng Cheong, Prime Minister Goh Chok Tong and Senior Minister Lee Kuan Yew. He will also meet with Deputy Prime Minister Lee Hsien Loong and other senior government officials, the Ministry of Trade and Industry said.

Zou will also give a talk on "The Economic Situation and Reform in the People's Republic of China," which

will be organized by the Economic Development Board (EDB) of Singapore next Monday [26 June].

The EDB said the purpose of Zou's visit "is to further strengthen the bilateral economic relations between the two countries."

The Vice Premier, who last visited Singapore in August 1988, is accompanied by Yie Qing, Vice Minister in charge of the State Planning Commission; Sun Zhenyu, Vice Minister of Foreign Trade and Economic Cooperation; Wang Yang, Deputy Governor of Anhui Province; and other government officials.

Meets Singapore Leaders

OW2706172395 Beijing XINHUA in English
1704 GMT 27 Jun 95

[FBIS Transcribed Text] Singapore, June 27 (XINHUA) — Visiting Chinese Vice Premier Zou Jiahua today called on Singapore President Ong Teng Cheong, Prime Minister Goh Chok Tong, and Senior Minister Lee Kuan Yew respectively and expressed the hope that the friendly cooperation between China and Singapore will be steadily carried forward in the long-term future.

Zou, who arrived here last Saturday on a five-day visit, highly appreciated during the talks the rapid development of the friendly and cooperative relations between China and Singapore, especially the outstanding achievements made in the area of economic and trade cooperation between the two countries, a Chinese official accompanying Zou's visit told XINHUA today.

He said that the Vice Premier told the Singapore leaders that China is happy with the development of the bilateral ties and hopes that the friendly cooperation between the two countries will develop steadily in the future.

During the talks, President Ong said he would go on an official visit to China within this year at the invitation of Chinese President Jiang Zemin, who visited Singapore in November last year before the APEC (Asia Pacific Economic Cooperation) leaders' meeting in Indonesia.

Ong told Zou that he is looking forward to the visit to China and is confident that the visit would further promote the mutual understanding, friendship, and cooperation between Singapore and China.

Goh Chok Tong said in his meeting with Zou that during his visit to China last month, he found that the central and western parts of China are attractive to foreign investments, because they are economically dynamic and technologically advanced, and their markets are open to foreigners.

Singapore would continue to cooperate with its Chinese partners in the projects in China's eastern and coastal areas, he said.

In the meantime, Singapore would like to seek greater and more extensive cooperation with China in its central and western parts, the prime minister added.

Shandong Governor Meets Singapore Trade Minister

SK2306004495 Jinan Shandong People's Radio
Network in Mandarin GMT 2300 22 Jun 95

[FBIS Translated Text] On the evening of 20 June, Li Chunting, deputy secretary of provincial party committee and governor, met with Yeo Cheow Tong, minister of trade and industry of Singapore, and (Chen Yuan-sheng), political secretary of the prime minister's Administrative Office of Singapore and chairman of the Singaporean side of the Singapore-Shandong Economic and Trade Board of directors.

Li Chunting stated: In recent years, contacts between Singapore and Shandong Province have further deepened, laying a foundation for both sides to continue developing friendly and cooperative relations. He wished both Singapore and Shandong Province will take better roads of cooperation in broader fields.

Minister Yeo Cheow Tong passed on Singaporean Prime Minister Goh Chok Tong's greeting to Governor Li Chunting. He said: I am impressed by Shandong's economic strength and rapid economic development. Entrepreneurs in Singapore are also very interested in doing business in Shandong.

Song Fatang, deputy secretary of the provincial party committee and vice governor, attended the meeting.

Near East & South Asia

Qiao Urges 'Proper Settlement' of Gulf Issues

OW2706133495 Beijing XINHUA in English
1318 GMT 27 Jun 95

[FBIS Transcribed Text] Beijing, June 27 (XINHUA) — A senior Chinese leader said here today that China, as a permanent member of the UN Security Council, will continue to make efforts for a proper settlement of the issues left over by the Gulf War.

Qiao Shi, chairman of China's National People's Congress (NPC) Standing Committee, made the remark in a meeting with Iraqi Vice-President Taha Yasin Ramadan.

"We express our deep sympathy for the Iraqi people who are suffering misery," Qiao said when he spoke of the situation in the Gulf region.

China has always maintained that the remaining problems of the Gulf war, including those concerning the sanctions, should be solved properly according to relevant resolutions of the UN Security Council at an early date, so as to create a favorable external environment of peace and development for the countries and peoples of the Gulf region, Qiao said.

"As a member of the UN Security Council, China will continue to make efforts toward this end," Qiao noted.

In addition, Qiao added, "We sincerely hope that the Iraqi people overcome their current difficulties and achieve national development and prosperity through their own efforts and with help from the international community."

Qiao called Ramadan, who has visited China many times, an old friend of the Chinese people. He also praised him for having made contributions to the development of bilateral relations.

Qiao said that Iraq was among the first group of Arab nations to establish diplomatic ties with China. He added that the two countries have had long-time contacts and effective co-operation in many fields.

China treasures its traditional friendship with Iraq and the NPC is ready to make efforts for further consolidating and developing its friendly relations with Iraq, Qiao said.

Ramadan said Iraq attaches importance to developing relations with China. He expressed the belief that, through the current visit, such relations will continue to develop.

Ramadan and his party are scheduled to wind up their visit and leave here tomorrow.

Tian Zengpei Continues Lebanon Visit

Views Beirut's Taiwan Stand

*OW2706133095 Beijing XINHUA in English
1204 GMT 27 Jun 95*

[FBIS Transcribed Text] Beirut, June 27 (XINHUA) — Chinese Deputy Foreign Minister Tian Zengpei expressed here today China's appreciation for Lebanon's stand on the Taiwan issue.

At a press conference held following his talks with Lebanese Foreign Minister Faris Buwayz the Chinese official stressed that China appreciates the Lebanese government's stand on supporting China's reunification and refusing to establish official ties with Taiwan.

"We appreciate the Lebanese government's stand in persisting in a presence of only one China, rejecting to establish official relations or hold any contacts of official

nature with Taiwan," Tian told reporters at the Lebanese Foreign Ministry in Beirut.

Earlier today, the Chinese vice foreign minister had a meeting with Lebanese Prime Minister Rafiq al-Hariri.

He is expected to meet with Lebanese President Ilyas al-Hirawi and House Speaker Nabih Birri Wednesday.

Tian arrived in Beirut Monday afternoon on the last leg of his Arab tour which also took him to Bahrain, Qatar and Yemen.

He is scheduled to leave the region for home Thursday.

Further on Visit

*OW2706134995 Beijing XINHUA in English
1323 GMT 27 Jun 95*

[FBIS Transcribed Text] Beirut, June 27 (XINHUA) — China reiterated today its support for the implementation of UN Security Council Resolution 425, which calls for unconditional withdrawal of foreign occupation forces from south Lebanon.

At a press conference held following a meeting with Lebanese Foreign minister Faris Buwayz here today, Chinese Vice Foreign Minister Tian Zengpei said that UN Resolution 425 should be "practically implemented."

He stressed that Lebanon's sovereignty and territorial integrity should be respected.

"We support Lebanon's independence, sovereignty and territorial integrity and its efforts for recovering the occupied land in the South," Tian said in the Lebanese Foreign Ministry in Beirut.

He pointed out that China had voted in favor of Resolution 425 in the UN Security Council and had also voted "every time" in favor of an extension of the UN Interim Force in Lebanon (UNIFIL), the multi-national peace-keeping forces operating in South Lebanon.

"We hope that the problem (of South Lebanon) will be justly resolved on the prerequisite of implementing UN Resolutions," said the Chinese vice foreign minister.

He also stressed further promotion of Sino-Lebanese trade.

Answering a question about a trade imbalance between the two countries, which is in favor of China at present, Tian said that the Chinese government has noticed this problem and is ready to solve it.

He said that the Chinese government would encourage Chinese enterprises to import more goods from Lebanon. "We also hope that Lebanon will make more

recommendations on the products which could be exported to China," he added.

Tian also spoke highly of "the relations of friendship and cooperation" between China and Lebanon and expressed optimism for the prospect of further development.

"In the past few years, the development of relations between us have accelerated and expanded," he added, describing the prospect of the bilateral ties, especially in the economic and trade fields, as "very good."

Earlier today, the Chinese vice foreign minister had a meeting with Lebanese Prime Minister Rafiq al-Hariri. He is expected to be received by Lebanese President Ilyas al-Hirawi and House Speaker Nabih Birri Wednesday.

Tian arrived in Beirut Monday afternoon on the last leg of his tour of four Arab Countries. The three other countries are Bahrain, Qatar and Yemen.

He is scheduled to leave the region for home Thursday.

Tibet Official Meets Nepalese Consul General

OW2606163795 Beijing XINHUA in English
1601 GMT 26 Jun 95

[FBIS Transcribed Text] Lhasa, June 26 (XINHUA) — Yang Chuantang, executive vice-chairman of the People's Government of the Tibet Autonomous Region, met here today with outgoing Nepalese Consul-General to Tibet Manik Manandal, and spoke highly of his efforts in promoting Sino-Nepalese friendly and economic co-operation.

China and Nepal enjoy a long-standing friendship, Yang said. During Manandal's two-year term here, the Nepalese crown prince and government ministers visited Tibet, and Tibetan officials, such as Chairman Gyalcan Norbu of the regional government, visited Nepal.

The economic and trade co-operation between Tibet and Nepal has also recorded new progress in recent years, Yang said. The two sides held an economic and trade fair in the Nepalese capital of Kathmandu last year, and this year signed an agreement on direct transportation co-operation.

The Nepalese diplomat has made friends with Tibetan people from various walks of life, which has helped to enhance friendship and mutual trust, Yang added.

Manandal is scheduled to leave for home early next month. He told Yang that he has been accorded full support and sincere co-operation during his tenure in Lhasa, which has given him a good and lasting impression.

The Nepalese consul general expressed the belief that the friendship between Nepal and China will continue to be consolidated and further expanded.

Sub-Saharan Africa

OAU Summit Preparations Underway

Beijing's African Role Viewed

OW2406112395 Beijing XINHUA in English
1047 GMT 24 Jun 95

[By Yu Dapo and Xiao Lingjun: "OAU Expects China's Greater Role in African Affairs"]

[FBIS Transcribed Text] Addis Ababa, June 24 (XINHUA) — Salim Ahmed Salim, Secretary General of the Organization of African Unity (OAU), said here today that OAU expects China to play a greater role in African affairs.

"China had always supported Africa in its struggle for liberation and is expected to play a greater role in African affairs as the continent is facing new challenges," Salim said in an exclusive interview with XINHUA.

Salim said China has been and will continue to be "a very good friend of Africa".

As a world power and permanent member of the UN Security Council, China has a crucial role to play in helping promote peace and development in the African continent, Salim said in the African Hall, where he is attending the 62nd OAU Ministerial Council meeting.

"As the liberation struggle and apartheid are over in Africa, the OAU expects China to support its efforts to resolve internal conflicts in the continent," the OAU chief said.

Salim said he believes relations between China and individual African countries "will be augmented to the mutual interest of each party."

He said there are ever "wider areas than before" for China to boost its relations with African countries.

Salim listed these areas as political, economic and social.

The on-going OAU Ministerial Council meeting, which opened on Wednesday, is preparing the agenda for the Organization's 31st summit to be held here next week.

'Roundup' on African GDP

OW2506090195 Beijing XINHUA in English
0812 GMT 25 Jun 95

["Roundup" by Xiao Lingjun: "African Economy Takes Uphill Move"]

[FBIS Transcribed Text] Addis Ababa, June 25 (XINHUA) — After years of painful downs in Africa's debt plagued economy, the world's poorest continent begins to take an uphill move in her Gross Domestic Product (GDP).

The United Nations Economic Commission for Africa (ECA) recently announced a 2.4 percent rise in Africa's GDP in 1994.

The growth, as compared with an insignificant 0.9 percent of 1993 and, worse still, a negative 0.3 percent of 1992, has been hailed as the fastest for the past five years in the continent.

Morocco, Namibia, Ghana, Uganda, Mauritius and Zimbabwe were each expected to register an over six percent of the GDP growth, with at least 15 other African countries estimated at growth rates from around three percent to six percent in 1994.

Meanwhile, the continent saw a decreased number of negative growth recording countries, from 1993's 17 to 1994's 12.

Africa's export volume showed an upswing too, standing at 1994's 95.2 billion U.S. dollars in value terms, in contrast to 1993's 91.3 billion U.S. dollars.

Tourism, one of Africa's major foreign exchange earners, set a record of 18.6 million tourist arrivals in 1994, as against the previous year's 16.79 million.

The ascent of the African economy could be linked to a number of developments.

Restoration of peace and stability, for one, played a key role in guaranteeing economic rehabilitation and progress in parts of Africa.

It is by no means a surprise that South Africans were astonished by a sudden tourist boom "unprecedented in 25 years", after they held their first all-race elections on April 27, 1994.

A record 1.5 million tourists were registered in the post-apartheid country at the end of 1994. More than half were foreigners, whose exact number was reported to be 785,000, a 17 percent increase over 1993.

In January 1995, a total of 185,490 bed nights were sold to foreign visitors, 46 percent higher than the same period of 1994.

The Kenya Association of Tour Operators believes South Africa's transition to peaceful democracy, the election of President Nelson Mandela and its re-admission into the international community had created "world curiosity" and many people wanted to visit the country.

Powerful trend for regional and trans-regional cooperation could be another contributor to the African economic growth. The OAU summit in June of 1991 signed a treaty on the creation of the African Economic Community.

Ever since the Organization of African Unity (OAU) was inaugurated in 1963, most of the independent African nations have joined various organizations for regional cooperation.

Five northern African countries have been formed into the Union du Maghreb Arabe (UMA), 16 western Africa countries into the Economic Community of West African States (ECOWAS), 11 Southern Africa countries into the Southern African Development Community (SADC) and seven east Africa countries into the Inter-Governmental Authority on Drought and Development (IGADD).

In late December last year, 23 southern, central and east African countries took a major step toward a trans-regional cooperation by expanding the Preferential Trade Area (PTA) into the Common Market of Eastern and Southern Africa (COMESA).

These cooperation groupings have played a significant role in breaking down trade barriers, facilitating border transport, promoting tourism and mediating regional disputes.

COMESA, among others, is moving toward something like the North American Free Trade Zone. Its Aim: An ever largest market in Africa by year of 2000, with a population of almost 300 million; and a powerful regional monetary union by the year 2020.

Africa's economic growth was also due to elements like a price rise for almost all primary commodities in the world market, a widespread demobilization in Eritrea, Ethiopia, Mozambique, Angola and Uganda, privatization and other feasible reform measures, as well as a variety of assistances from the international community.

While encouraged by the growth rarely seen in recent years, Africa is yet to meet many challenges ahead.

To ensure stability, for instance, is a preoccupation for many African nations. Owing to the centuries of rule by foreign colonialists, traditional peace and order

once prevailing among African ethnic entities have been damaged, causing serious, far-reaching consequences.

The "geo-political boundaries" made during the colonial times, for example, forced the split of African tribes into separate colonies with no regard to African interests. The colonial boundaries are not only a root cause of many contemporary ethnic conflicts, but largely responsible for the creation of 7.3 million African refugees, who account for nearly 35 percent of over 23 million refugees the world over.

Such a colonial legacy proves a fatal threat to Africa's weak economic base.

Africa's 269.5 billion dollars debts problem is another major hindrance to her economic development. According to the latest statistics, the African debts have become so heavy that they amount to 90 percent of the continent's gross national product (GNP) and debt service alone absorbed 35.4 percent of Africa's export earnings in 1994.

A third hurdle to Africa's economic progress may arise from her rapid population growth. Despite the negative economic growth experienced by a lot of African countries in the 1980s, the continent's population has increased to 630 million, indicating a steady annual three percent growth for the past three decades.

The ECA warned in early May that the continent's current economic growth "remain insufficient to halt the spread of poverty in Africa, as the rate continued to be below population growth rate, implying a decrease in income per capita in the region."

However, these are nothing more than the challenges due to occur in the course of development of Africa. With peace efforts gaining momentum and more attention focused on the economy, Africa has all reason to look forward to a prosperous future.

The ECA Secretariat has recently heralded another favorable year for Africa, estimating a three percent growth rate for her economic output in 1995.

Conflicts, Development Stressed

OW2506121795 Beijing XINHUA in English
1124 GMT 25 Jun 95

["Roundup" by Yu Dabo: "OAU Summit To Focus on Resolution, Economic Development"]

[FBIS Transcribed Text] Addis Ababa, June 25 (XINHUA) — The forthcoming 31st summit of the Organization of African Unity (OAU) opens on Monday [26 June] to beat the drum for greater efforts to rid the continent of the scourge of internal conflicts and boost economic development.

The summit, bringing together heads of state and government and representatives of all the OAU member states except for Somalia, will demonstrate Africa's determination to catch the global trend of peace and development.

In its pursuit for peace, the OAU has played an effective role to some extent. The far-reaching national reconciliation in Angola and Mozambique last year represented a landmark achievement of the organization.

The number and scale of conflicts between member states have also been declining. But despite these developments, the political situation in Africa still "merits the major concern" of the OAU.

In his report to be submitted to the OAU summit, OAU Secretary-General Salim Ahmed Salim warned that the conflicts within some states "are currently on the increase".

African countries, however, are more determined than ever before to prevent, contain and resolve the internal conflicts that have plagued the continent for long.

At the just-concluded 62nd ministerial council meeting of the OAU, African foreign ministers reaffirmed that the organization will continue to give priority to conflict resolution and prepare themselves for peacekeeping in the continent.

There is a growing trend that African countries will rely mainly on their own efforts to defuse tensions in the continent.

"The OAU will play a more important role in resolving the African internal conflicts and decide the agenda and future of the continent, but we welcome the efforts of the UN and other world powers," Salim told XINHUA when attending the ministerial council meeting which prepared the agenda for the OAU summit.

He said African countries can be self-reliant in meeting the challenges of peace, as it had once been in meeting the challenges of independence.

As part of its major agenda, the OAU will also attach more importance to the inter-African cooperation both at the bilateral level through encouraging inter-state relations in various fields and at the multilateral level by enhancing regional cooperation between the African economic groups.

The forthcoming summit is expected to buttress the one-year-old African Economic Community which provides the basis for economic integration and enhanced cooperation.

It will also boost efforts for harmonization and coordination between the various regional economic communities.

The staggering external debt of Africa which currently amounts to 317 billion U.S. dollars will be high on the agenda for the summit. So will be the low prices of primary commodities and the impact of the Uruguay Round of the General Agreement on Tariffs and Trade (GATT).

This shows the serious concern of Africa which will be deprived of the traditional trade preferential treatment under the new agreement of GATT. Africa will lose an estimated 2.6 billion U.S. dollars annually once the agreement takes effect.

The summit will take into account the exploding population growth in Africa which aggravates the economic hardships in the continent.

Although 1994 saw a modest increase in the growth of GDP in Africa as a whole from 0.9 percent in 1993 to 2.4 percent, the relatively high population growth averaging about 3 percent in the region caused the per capita income in 1994 to fall afresh, bringing a decline in the living standards of the people.

It is unrealistic to expect the summit to resolve all these pressing issues, but the summit demonstrates Africa's determination and commitment to take collective actions in this direction.

For Africa, it has become increasingly important to secure political stability for the benefit of economic development. The OAU summit is expected to strike this point more clearly.

Li Peng Congratulates OAU

OW2606075695 Beijing XINHUA in English
0531 GMT 26 Jun 95

[FBIS Transcribed Text] Beijing, June 26 (XINHUA) — Chinese Premier Li Peng has sent a message to the Organization of African Unity (OAU) on the convocation of an OAU summit conference, which opens in Addis Ababa today.

"On the occasion of the convocation of the 31st Conference of the Heads of State and Government of the Organization of African Unity, I wish to extend, on behalf of the Chinese government and people, our warm congratulations to the Conference," the premier said in the message.

Meanwhile, he expressed China's appreciation of and support for the OAU's continued efforts for political liberation and economic development in Africa.

"Drastic changes in the post-Cold War international situation presented great challenges to Africa, causing grave difficulties to peace and development on the continent. But the indomitable African people have withstood the severe tests and tired over the most difficult period," Li said.

"The current political situation in Africa is more stable than before and its economic situation is improving. Africa is gradually entering a new era characterized by the pursuit of stability, peace and development."

"The Chinese government and people have great admiration for the African people's strong determination and will to grow stronger through their own efforts," he said.

During the three-day summit conference, OAU leaders are to focus their discussions on conflict resolution and economic development. The summit brings together heads of state and government and representatives of all the OAU member states except Somalia.

"I am confident that the conference will achieve its desired goal and fulfill the great mission entrusted to it by the African countries and people," the Chinese premier said.

He also said that Sino-African relations are "a model of sincerity, equality, friendship and cooperation among developing countries, an embodiment of brotherly affection fostered by the two sides during their long-term common struggle."

Burundian Foreign Minister Resigns, Flees

OW2506225695 Beijing XINHUA in English
1956 GMT 25 Jun 95

[By Yu Dabo and Chen Cailin]

[FBIS Transcribed Text] Addis Ababa, June 25 (XINHUA) — Burundian Foreign Minister Jean Marie Ngendahayo, who disappeared from the ministerial council meeting of the Organization of African Unity (OAU), has resigned, Burundian ambassador to Ethiopia Antoine told XINHUA today.

Ngendahayo did not attend the closing session of the council meeting and was believed to have fled to South Africa, informed sources close to the meeting said.

Antoine neither confirmed nor denied the allegation but said Ngendahayo has nowhere to be found since Saturday.

"We don't know his whereabouts and are still looking for him," the ambassador told XINHUA over telephone.

He said he had no idea about the reason why Ngendahayo left the Burundi delegation. He confirmed earlier

reports that the foreign minister has announced his resignation in an unknown place.

Conferences sources said Ngendahayo resigned probably because of his political differences with president Sylvestre Ntibantunganya, who arrived here earlier today to attend the OAU's 31st summit to be opened tomorrow.

Ngendahayo was interviewed by XINHUA on Friday, one day before his disappearance. He said in the interview that he was deeply worried about the deteriorating situation in his country.

He said the Burundian government could not contain the ethnic bloodshed in the country and warned that the same genocide that happened in neighboring Rwanda last year could occur in Burundi if the international community did not intervene timely.

Burundi has been hit by a new wave of ethnic violence since March when armed clashes between Hutus and Tutsis killed hundreds of people.

Burundi's population is 85 percent Hutus, but Tutsis have ruled for most of the 33 years since independence and still control the 17,000-strong army and the civil service.

Ngendahayo, who took his post as foreign minister in early 1994, is said to be Tutsi.

Kenyan Assembly Speaker Meets NPC Official

OW2706031195 Beijing XINHUA in English
1935 GMT 26 Jun 95

[FBIS Transcribed Text] Nairobi, June 26 (XINHUA) — Speaker of the Kenya National Assembly Francis Ole Kaparo met Zhu Qizhen, official of the Chinese National People's Congress (NPC) at the Parliament building here today.

During the meeting, Francis Ole Kaparo expressed his warm welcome to Zhu Qizhen, the Vice Chairman of the Foreign Affairs Committee of the NPC of China, and his six-man party.

The two sides reviewed the friendly relations between the two Parliaments and the two countries existing in the last 30 years. They exchanged information of structure of their respective parliaments and the role the parliaments played to their governments.

They vowed to keep close contacts between the two Parliaments, saying that close contacts between the two parliaments have played an important role in promoting friendly relations between the two countries.

Mr. Zhu, who arrived here at the invitation of the Kenya National Assembly on June 23 for a six-day friendly

visit, conveyed greetings of Qiao Shi, Chairman of the Standing Committee of the Chinese NPC, to the Kenyan Speaker.

Banquet Marks Date of Sino-Mozambican Ties

OW2206114995 Beijing XINHUA in English
0841 GMT 22 Jun 95

[FBIS Transcribed Text] Beijing, June 22 (XINHUA) — A luncheon was given here today in celebration of the 20th anniversary of the establishment of diplomatic ties between China and Mozambique.

The Chinese People's Association for Friendship with Foreign Countries and the Sino-African People's Friendship Association hosted the banquet.

Qi Huaiyuan, president of the Chinese People's Association for Friendship with Foreign Countries, and Daniel Saul Mbanze, ambassador of Mozambique to China, reviewed the growth of bilateral ties in every field since they forged diplomatic relations 20 years ago and hoped for enhancing such relationship based on a solid foundation.

Mbanze expressed his thanks for China's moral support and material assistance to Mozambique.

Also present was Gong Dafei, president of the Sino-African People's Friendship Association.

Reception Marks Anniversary

OW2306020895 Beijing XINHUA in English
2222 GMT 22 Jun 95

[FBIS Transcribed Text] Maputo, June 22 (XINHUA) — Chinese Ambassador to Mozambique Mi Shiheng gave a reception here this evening to mark the 20th anniversary of the establishment of Chinese-Mozambican diplomatic ties.

The two countries establish formal ties on June 25, 1975.

The Chinese ambassador and Mozambican Vice Minister of Foreign Affairs and Cooperation Francis Rodrigues made speeches at the ceremony, both expressing the hope of further developing relations between the two countries.

Present at the reception were Minister of the Interior Manuel Antonio, Minister of Social Affairs Coordination Alcinda Albreu and General Secretary of the Mozambique Liberation Front Salomao Gundana, among others.

Group Leaves Mozambique for Namibia, Senegal
OW2306022595 *Beijing XINHUA in English*
2219 GMT 22 Jun 95

[FBIS Transcribed Text] Maputo, June 22 (XINHUA) — The delegation from the Chinese Ministry of Geology and Mineral Resources headed by Vice-Minister Zhang Hongyi left here today for Zimbabwe after concluding its 4-day visit to Mozambique.

During its stay here, the Chinese delegation was received by and held talks with Prime Minister Pascoal Mocumbi and other high-ranking officials of Mozambique respectively.

On the occasions, both the hosts and guests expressed the hope for close cooperation between the two countries on geological survey and mineral resources exploration.

Mozambique is the first leg of the Chinese geological delegation in its African Mission. After Zimbabwe, it will continue its trip to Namibia and Senegal.

Sino-Nigerian Friendship Association Adds Members

OW2506003695 *Beijing XINHUA in English*
2226 GMT 24 Jun 95

[FBIS Transcribed Text] Lagos, June 24 (XINHUA) — Twelve Distinguished Nigerians were conferred on "life membership" of the Nigeria-China Friendship Association (NICAF) at the NICAF's general meeting here today.

Among them are Henry Adefope, former Minister of External Affairs, Theophilus Danjuma, former Chief of Army Staff, Ishaya Shekarri, former Special Advisor in the presidency and current Minister of Home Affairs and Social Development.

The NICEF now has about 200 people as its individual and corporate members and life members.

Recognised by the Nigerian federal government in April 1994, NICAF was later launched with its primary aim of promoting cooperation in the social, economic, cultural, trade, scientific, technological and sporting fields between and amongst citizens and corporate bodies in Nigeria and China.

To this end, NICAF has established working relationship with the Chinese People's Association for Friendship with Foreign Countries and the Chinese People's Association for Friendship with African Peoples, as well as with the Chinese embassy in Nigeria.

NICAF Chairman V.N. Chibunu disclosed today that his organization would organize a cultural troupe to visit

China soon, which will be followed by an economic and trade delegation to China this year.

Chinese ambassador to Nigeria Lu Fengding was among those present on the occasion.

Outgoing Ambassador Calls on Ugandan Minister
OW2306234995 *Beijing XINHUA in English*
1920 GMT 23 Jun 95

[FBIS Transcribed Text] Kampala, June 23 (XINHUA) — Ugandan Minister of Education and Sports Amanywa Mushega here today hailed the excellent relations between Uganda and China.

Mushega said this when he met the Chinese ambassador to Uganda, Xu Yingjie, who paid a courtesy call to bid the minister farewell at the end of his tenure in Uganda.

Mushega thanked Xu Yingjie for his personal commitment to the progress of construction of Nelson Mandela Stadium in Kampala and stressed Uganda's desire for more Ugandan-Chinese cooperations, especially in the economic sphere.

Xu Yingjie said China was happy with Uganda's economic development and was optimistic of continued understanding between China and Uganda for the mutual benefit of the two brotherly nations.

West Europe

Dalai Lama Seeks German Help With Beijing Talks
AU2506134195 *Cologne Deutschlandfunk Network*
in German 0900 GMT 25 Jun 95

[FBIS Translated Text] In the opinion of the Dalai Lama, the temporal and spiritual head of the Tibetans, Germany's good relations with the PRC could be used by Bonn to pave the way for negotiations with Beijing by the Tibetan Government in exile. The Dalai Lama said on Deutschlandfunk today that the situation of his compatriots in Tibet, which is occupied by China, is alarming. This applies above all to Beijing's settlement policy. Since more and more Chinese are moving to Tibet, the natives are in danger of becoming a minority in their own country. The Dalai Lama advocated a middle course, as he put it, between Tibet's sovereignty and its integration within the PRC.

Germany To Grant China \$167 Million in Aid
OW2306031095 *Beijing XINHUA in English*
0255 GMT 23 Jun 95

[FBIS Transcribed Text] Bonn, June 22 (XINHUA) — The German government will provide China 233.7 million German marks (167 million U.S. dollars) in

aid for development this year, the German Economic Cooperation Ministry announced today.

The aid, including a 82.7-million-mark (59 million dollars) grant, will be used for afforestation, sewage disposal, exploiting energy resources that do not harm the environment and supporting small private enterprises in China.

Some of the aid money will go to East China's Shandong province to help the poor there.

Li Lanqing Meets With Icelandic Foreign Minister
OW2306030395 Beijing XINHUA in English
0238 GMT 23 Jun 95

[FBIS Transcribed Text] Reykjavik, June 22 (XINHUA) — Icelandic Foreign Minister Halldor Asgrimsson held talks here today with visiting Chinese Vice Premier Li Lanqing on bilateral relations and international issues of mutual concern.

They reached consensus on setting up a consultation system on economic cooperation and how to develop trade and economic relations between the two countries. Both said the two countries can cooperate on geothermal resources and fishery.

Asgrimsson said Chinese businessmen are welcome to come here to promote the development of trade between the two countries.

On China's membership in the World Trade Organization (WTO), Asgrimsson reiterated Iceland's long-standing position of support for China's becoming a member of the organization.

Li said China has not joined the WTO because some countries refused to admit China as a developing country and demanded that China carry out commitments and bear the responsibilities of a developed country.

If our commitments and rights can be balanced through negotiations, we will be willing to join the organization, he said.

On the issue of the European Union (EU), Asgrimsson said Iceland is willing to strengthen its ties with the EU. If its fishery policies do not harm Iceland's interests, Iceland will consider joining the organization.

Daily Hails Establishment of Ties With Monaco
HK2606032095 Beijing RENMIN RIBAO in Chinese
4 Jun 95 p 1

[Editorial: "Congratulations on the Establishment of Consular Relations Between China and Monaco"]

[FBIS Translated Text] Through friendly consultations, the Chinese Government recently decided to establish

consular relations with the Government of the Principality of Monaco as of 16 January 1995. We express our warm congratulations on the establishment of consular relations between China and Monaco.

Located in southwestern Europe, Monaco is a charming country with a flourishing tourist industry. Monaco advocates safeguarding world peace and security, and strives to develop relations with countries far and near. The Monaco Government and its people have friendly sentiments for China and the Chinese people. In recent years, in particular, bilateral exchanges and contacts between the two countries have further increased. The establishment of consular relations between China and Monaco has opened up better prospects for the strengthening of friendship and cooperation between the two countries.

China is willing to develop friendly and cooperative relations with countries all over the world on the basis of five principles characterized by mutual respect for territorial integrity and sovereignty, mutual non-aggression, mutual non-interference in one another's internal affairs, equality and mutual benefit, and peaceful coexistence. We believe that all countries, big or small, rich or poor, or strong or weak, should be equal and, on the basis of their national conditions, have the right to choose their road of development and participate in international affairs. In its external exchanges, the Chinese Government has repeatedly affirmed that the PRC Government is the only legitimate government of China, and Taiwan is part of the Chinese territory. The Monaco Government has noted that it will take the PRC General Consulate in Monaco as the consular representative of the only legitimate government of China in Monaco.

The establishment of consular relations between China and the Principality of Monaco not only conforms to the common aspiration and interests of the peoples of both countries but is also beneficial to the promotion of world peace and development. We believe that the friendly and cooperative relations between China and Monaco will definitely continue to be strengthened.

Vice Premier Li Lanqing Arrives in Sweden 24 Jun
OW2406152395 Beijing XINHUA in English
1513 GMT 24 Jun 95

[FBIS Transcribed Text] Stockholm, June 24 (XINHUA) — Chinese Vice-Premier Li Lanqing arrived here today for a six-day official visit.

Accompanying the vice-premier on his visit were Li Shuwen, deputy secretary-general of the Chinese State Council, Gu Yongjiang, vice-minister of Foreign Trade

and Economic Cooperation, Wang Chunzheng, vice-chairman of the State Planning Commission, and other senior officials.

The Chinese delegation, which is fresh from a tour of Iceland, came here at the invitation of the Swedish government.

Contracts Worth \$20 Million Signed

OW2806031795 Beijing XINHUA in English
0234 GMT 28 Jun 95

[FBIS Transcribed Text] Stockholm, June 27 (XINHUA) — China and Sweden today signed contracts involving sewage processing, electrical equipment and setting up emergency medical centers.

The contracts, which would result in a total of 20 million U.S. dollars' worth of imports from Sweden, were signed during Chinese Vice Premier Li Lanqing's six-day visit here.

Li, who heads a Chinese delegation of entrepreneurs, told a group of Swedish industrialists that the two countries should have long-term cooperation in trade, technology and other areas.

He said China's foreign trade volume of 236.7 billion U.S. dollars is expected to rise to 800 billion dollars, expressing the hope that Sweden would have a bigger share in China's foreign trade.

The vice premier also outlined China's economic policy, saying the country's priorities are agriculture, energy, communications, environmental protection and raw materials.

Li and his entourage are scheduled to end their visit on Thursday. They earlier visited Iceland.

East Europe

Romanian Premier Interviewed Prior To Visit

OW2306024295 Beijing XINHUA in English
0224 GMT 23 Jun 95

[FBIS Transcribed Text] Bucharest, June 22 (XINHUA) — Romania wants to seek new ways to expand economic and trade cooperation with China in the near future, Prime Minister Nicolae Vacaroiu said here before setting out on an official visit to China from July 3 to 7.

"China has been and remains a major cooperation partner of Romania," he said in an interview with XINHUA correspondents in Bucharest.

A delegation of Romanian industrial and trade leaders will accompany Vacaroiu on his trip, some of whom already have business contacts with China.

"My intention is to set up joint-venture banks and develop a sound means of payment in bilateral trade," the Prime Minister said.

Vacaroiu said that Romania has maintained good ties with China in every field, noting that the recent exchange of visits by Romanian President Ion Iliescu and Chinese Premier Li Peng opened wide prospects for further development of the traditional relations.

He said that frequent parliamentary and government contacts between the two countries are helpful to finding new ways to consolidate their relations.

Vacaroiu expressed satisfaction with Sino-Romanian cooperation on culture and education, citing the exchange of students as a good example of ways to enhance friendship and cooperation.

On Romania's economic situation, he said the country's gross domestic product is projected to grow by 2.83 percent this year and inflation rate would be kept below 30 percent.

He said the government has strengthened financial discipline of new economic entities and launched the operation of a free foreign exchange market.

Ren Jianxin Meets Romanian Military Court President

OW2706141095 Beijing XINHUA in English
1310 GMT 27 Jun 95

[FBIS Transcribed Text] Beijing, June 27 (XINHUA) — Ren Jianxin, president of the Supreme People's Court of China, met Lieutenant General (Badoiu Cornel), President of the Romanian Military Court, this morning in Diaoyutai State Guesthouse.

Ren briefed the Romanian guests on China's situation in strengthening the socialist democracy and legal system. He said, in order to enhance legislation and judicature, China needs to learn the advanced experiences from foreign countries including Romania besides summing up its own experiences.

The Chinese court president expressed his belief that the current visit by the Romania Military Court will be beneficial to the exchanges and cooperation between the judiciary sectors of the two governments and armies.

(Badoiu) said, China is undertaking reforms in legislation and judicature, adding that Romania wishes to learn from China its good experiences in the two areas.

The Romanian delegation arrived here Sunday as guests of the Military Court of the People's Liberation Army.

Latin America & Caribbean

Li Ruihuan Continues Latin American Visit

Meets Jamaican Minister 18 Jun

OW2206150895 Beijing XINHUA Domestic Service
in Chinese 0056 GMT 18 Jun 95

[FBIS Translated Text] Kingston, 17 Jun (XINHUA) — Seymour Mullings, deputy prime minister and concurrently foreign affairs minister of Jamaica, hosted a luncheon here today to welcome Li Ruihuan, chairman of the Chinese People's Political Consultative Conference National Committee, on a visit Jamaica.

The atmosphere of the luncheon was friendly and warm. In their toasts at the luncheon, Mullings and Li Ruihuan praised the friendship between the Chinese and Jamaican peoples and expressed the wish that the two countries' equal, friendly, and mutually beneficial relations will continue to develop.

Meets Brazilian Leaders 22 Jun

OW2206180495 Beijing XINHUA in English
1746 GMT 22 Jun 95

[FBIS Transcribed Text] Brasilia, June 22 (XINHUA) — Chairman Li Ruihuan of National Committee of the Chinese People's Political Consultative Conference (CPPCC) and Brazilian parliament leaders discussed here today ways to strengthen friendship and expand mutually beneficial cooperation between China and Brazil.

Meeting with Ronaldo Perin, acting president of the Brazilian Chamber of Deputies, Li said that since the establishment of diplomatic relations between the two countries 21 years ago, bilateral cooperative and friendly relations have developed steadily.

During the recent years, exchanges of high-level visits between the two countries have been increasing while bilateral cooperation in political, economic, trade, cultural, scientific and technological sectors has been proved effective and fruitful, he said.

Li said that both China and Brazil are major developing countries in the world and they are making common efforts for the world peace and development.

He expressed his hope that under the guidance of the five principles of peaceful co-existence the further development of Sino-Brazilian relations would become an example for the South-South cooperation.

Perin said that although there is a long distance between Brazil and China the two are "good friends."

The two countries should strengthen cooperation in establishing a new world economic and political order, he said.

In his meeting with Li later, Brazilian Senate President Jose Sarney said that Brazil attaches importance to the enhance of its cooperation with China.

Sarney said that he believes that Li's current visit to Brazil would promote the existing good relations.

Li is expected to have talks with Brazilian President Fernando Cardoso this afternoon.

The CPPCC chairman, who started his tour of Brazil from Manaus on June 18, arrived here Wednesday from Rio de Janeiro. He will also visit Sao Paulo after ending his mission here.

Brazil is the third leg of his four-nation Latin American tour, which will also take him to Chile. He has already visited Cuba and Jamaica.

Meets Brazilian President 22 Jun

OW2306020595 Beijing XINHUA in English
2329 GMT 22 Jun 95

[FBIS Transcribed Text] Brasilia, June 22 (XINHUA) — Chairman Li Ruihuan of the National Committee of the Chinese People's Political Consultative Conference (CPPCC) described here today the economic development as the major task facing the developing countries.

In his meeting with Brazilian President Fernando Henrique Cardoso this afternoon, Li said that in the course of their economic development, developing nations will inevitably come across some troubles.

However, Li said, the determination of the developing nations to develop their national economy should not be shaken by these troubles.

Instead, they should make efforts to solve the problems by improving their management, Li said.

Cardoso said that as for developing countries such as China and Brazil, they should resolve their problems patiently as these problems could not be solved overnight.

China and Brazil should learn from each other in the course of their economic development, he said.

On bilateral issues, Li said that China and Brazil are highly complementary to each other in the economic sectors.

The enhancement of the friendly and cooperative relations between China and Brazil conforms to the fundamental interests of the two countries and is of benefit to the world peace and development, he said.

The Brazilian president said that Li's current visit to Brazil has deepened mutual understanding between leaders of the two countries.

He said that his country will expand cooperation and interflow with China in all fields.

The CPPCC chairman, who started his tour of Brazil from Manaus on June 18, arrived here from Rio de Janeiro. He will also visit Sao Paulo after ending his mission here tomorrow.

Brazil is the third leg of his four-nation Latin American tour, which will also take him to Chile. He has already visited Cuba and Jamaica.

Departs for Chile 25 Jun

*OW2506135295 Beijing XINHUA in English
1248 GMT 25 Jun 95*

[FBIS Transcribed Text] Sao Paulo, Brazil, June 25 (XINHUA) — Li Ruihuan, chairman of the National Committee of the Chinese People's Political Consultative Conference (CPPCC) wound up his week-long tour of Brazil and left here today for Santiago, Chile.

Li began his tour of Brazil on June 18. During the week, the Chinese leader visited Manaus, Rio de Janeiro, Brasilia and Sao Paulo. He and Brazilian leaders discussed bilateral relations, particularly ways to strengthen political, economic, trade, scientific and technological cooperation, and other issues of common concern.

Brazil is the third leg of Li's four-nation Latin American tour, the main purpose of which is to promote exchanges of high-level visits between China and these countries, deepen mutual understanding, expand interflows and cooperation in various fields and foster mutually beneficial development.

Li started his Latin American trip on June 12 from Cuba, and then he visited Jamaica. Chile is the last leg of Li's tour which is to end on June 28.

Arrives in Santiago 25 Jun

*OW2606163295 Beijing XINHUA in English
1602 GMT 26 Jun 95*

[FBIS Transcribed Text] Santiago, June 25 (XINHUA) — Li Ruihuan, chairman of the National Committee of the Chinese People's Political Consultative Conference (CPPCC), arrived here today from the Brazilian city of Sao Paulo, for a four-day official goodwill visit to Chile.

Chile is the last leg of Li's four-nation Latin American tour, which began on June 12. He has already visited Cuba, Jamaica and Brazil.

Speaking to reporters at the airport, Li described as "very successful and effective" the cooperation between

China and Chile in political, economic, trade, cultural, scientific and technological sectors since the two countries established diplomatic relations with each other 25 years ago.

China attaches great importance to developing friendly cooperative relations with Chile, Li said.

He said that his current visit is designed to promote exchanges of high-level visits between the two countries, enlarge mutual understanding, expand interflows and cooperation and stimulate the development of Sino-Chilean cooperative relations.

While in Chile, the Chinese leader will meet with Chilean government, parliament and judicial leaders to discuss bilateral cooperation and other issues.

Li is also expected to address the UN Economic Commission For Latin America on China's reform and economic development.

The CPPCC chairman is scheduled to leave for home on June 28.

Meets Chilean President 26 Jun

*OW2606181495 Beijing XINHUA in English
1750 GMT 26 Jun 95*

[FBIS Transcribed Text] Santiago, June 26 (XINHUA) — Developing countries should use other nations' experience for reference to accelerate their economic development, said Li Ruihuan, Chairman of the National Committee of the Chinese People's Political Consultative Conference (CPPCC), here today.

Meeting Chilean President Eduardo Frei Ruiz-Tagle this morning, the visiting CPPCC chairman said that a nation could not make progress without learning from others' useful experience.

But, he said, the developing countries should combine other's experience with their own actual conditions and build the path for development with their own characteristics.

Li said that as both China and Chile are developing countries, they could learn from each other in the course of their economic development.

There are favorable conditions for expanding bilateral cooperation, Li said.

Frei said that the achievements made by Chile, to a great extent, should be attributed to its policy of opening to the outside world.

Chile's actual conditions is quite different from that of China's, he said, but Chile can use China's experience in its reform for reference.

Frei expressed his hope that the two countries would expand cooperation and interflow in all fields.

Li arrived here Sunday for a four-day visit. Chile is the last leg of Li's four-nation Latin American tour, which began on June 12. He has already visited Cuba, Jamaica and Brazil.

This afternoon, Li is expected to address the UN Economic Commission For Latin America and Caribbean on China's reform and economic development.

The CPPCC chairman is scheduled to leave for home on June 28.

Addresses UN Meeting 26 Jun

OW2706032895 Beijing XINHUA in English
2304 GMT 26 Jun 95

[FBIS Transcribed Text] Santiago, June 26 (XINHUA) — Chairman Li Ruihuan of the Chinese People's Political Consultative Conference (CPPCC) stressed here Monday the importance of development for China and other developing countries, saying development has become a pressing task of the developing nations.

In a speech entitled "Development, the Principal Theme of the Modern China" at the UN Economic Commission for Latin America and the Caribbean, Li said that the issue of development has constituted "a common and principal theme of the international community at present."

Many developing countries today are still suffering from a weak economy and their people are living a hard life, he said.

Li said that the Developing countries are confronting many social problems while the foreign debt problem has become a heavy burden for them.

The economic gaps between the developing countries and the developed nations have widened in the recent years, he said.

To change the unfavorable situation, Li said, the developing countries "must make best use of their time, concentrate their energy on accelerating their national economic development."

Talking about the situation in China, Li said that "the issue of development is particularly important for China," as it is the largest developing country in the world.

Because of imperialists' aggression and plunder in China's modern history, Li said, its social productive forces were severely damaged, its economy grew at very slow pace, and sometimes, even stagnated, or nearly

collapsed before the founding of the People's Republic of China in 1949.

"Since the founding of the New China, China's economic construction and social development have made historical progress," he said.

"However, China also suffered some setbacks in its economic development in the past four decades, especially during the 10-year long 'great cultural revolution,'" Li said.

He said that during that period, China wasted the nation's energy, missed the opportunity for development and delayed its modernization process.

Stressing the importance of development for China, Li warned that if the Chinese people "fail to seize the opportunity for development, fail to speed up the development process, they would hardly live on and to catch up with the developed nations would be out of the question."

Li said that only reform and opening to the outside world can accelerate the economic development.

But the social stability is the pre-condition for reform and development, he said.

Li said that the Chinese People, who values the hard-earned solidarity and stability, are resolutely opposed to any attempt to undermine China's social stability made by any forces or made with any excuses.

In the meantime, he said, the Chinese people attach great importance to the factor that reform and development could promote the social stability.

Li said that at present China is handling carefully the relationship between the dynamics of the reform, the speed of development and the extent of the social stability.

Underlining the important relationship between interflow and cooperation and development, the CPPCC chairman said that while China needs a lasting, peaceful and stable international environment for its development, it needs interflow and cooperation with all countries in the world in various fields.

As both Latin American countries and China are developing countries, they are facing the great task of economic development, he said.

Despite the expansion of cooperation between China and Latin American countries in the scientific and technological sectors in recent years, he said, cooperation in economy and trade between them are still at a lower stage.

He called on Latin American countries to "expand mutually beneficial cooperation and seek common development with China."

Li arrived here Sunday for a four-day official and goodwill visit, the last leg of his four-nation Latin American tour. He has already visited Cuba, Jamaica and Brazil.

Meets Chilean Leader 26 Jun

*OW2706030795 Beijing XINHUA in English
2339 GMT 26 Jun 95*

[FBIS Transcribed Text] Santiago, June 26 (XINHUA) — Li Ruihuan, Chairman of the National Committee of the Chinese People's Political Consultative Conference (CPPCC), and Chilean Senate President Gabriel Valdes discussed here today ways to further Sino-Chilean relations.

Li told Valdes that he was pleased with the steady development of the bilateral cooperation in various fields since the two countries established diplomatic relations with each other 25 years ago.

China is willing to make even greater efforts to promote such cooperation, Li added.

Valdes said that his country will continue to cooperate with China in political, economic, trade and other sectors and strengthen cooperation in dealing with international affairs.

Earlier in the day, Li and Chilean President Eduardo Frei Ruiz-Tagle also discussed bilateral issues.

Li arrived here Sunday for a four-day official and goodwill visit, the last leg of his four-nation Latin American tour. He has concluded his visit to Cuba, Jamaica and Brazil.

The CPPCC chairman is scheduled to leave here for home on June 28.

Meets Chilean Minister 27 Jun

*OW2706052595 Beijing XINHUA in English
0450 GMT 27 Jun 95*

[FBIS Transcribed Text] Santiago, June 26 (XINHUA) — Li Ruihuan, chairman of the National Committee of the Chinese People's Political Consultative Conference (CPPCC), said here today that it is in the fundamental interests of the Chinese and Chilean people to develop bilateral relations.

Meeting Chilean Foreign Minister Jose Miguel Insulza tonight, Li said China and Chile cooperate very well in international organizations and at international meetings.

He praised the Chilean government for its support for China's position on the human rights issue and its one-China policy.

Insulza, saying he was pleased with the cooperation between the two countries in international affairs, expressed the hope that China's economic development would stimulate bilateral cooperation in economy and trade.

Earlier in the day, Li met Chilean President Eduardo Frei Ruiz-Tagle and Chile's parliamentary and judicial leaders.

Li arrived here Sunday for a four-day official and goodwill visit to Chile, the last leg of his four-nation Latin America tour which took him to Cuba, Jamaica and Brazil.

The CPPCC chairman is scheduled to leave for home on June 28.

NPC Delegation Concludes Visit to Ecuador

*OW2506172695 Beijing XINHUA Domestic Service
in Chinese 0904 GMT 21 Jun 95*

[FBIS Translated Text] Quito, 20 Jun (XINHUA) — China's National People's Congress [NPC] delegation headed by Yang Zhenya, member of the NPC Standing Committee and vice chairman of the NPC Foreign Affairs Committee concluded a friendly visit to Ecuador at noon on 20 June and headed for Bolivia via Peru.

The delegation arrived in Quito on 16 June after winding up its visit to Venezuela. Ecuador's acting parliamentary speaker (Prollanio) met the delegation during its stay there.

During the meeting, (Prollanio) gave a high appraisal to the good results achieved by China in enforcing the policy of reform and opening up. He also called for enhancing friendly exchanges between the two legislative bodies to increase understanding and to further promote the development of friendly and cooperative relations between the two countries.

During its stay in Ecuador, the delegation also held meetings with Interior Minister Romero, with Foreign Relations Minister Leoro, and with members of the Ecuador-China Friendship Committee. It also held a work meeting with Ecuador's parliamentary international affairs committee.

Ecuador's parliament has maintained an excellent relationship with the NPC. Its parliamentary speaker, (Heinz Morel), visited China this May, heading a delegation.

Peruvian Army President Visits Beijing

Meets Zhang Wannian

OW2206121995 Beijing XINHUA in English
1203 GMT 22 Jun 95

[FBIS Transcribed Text] Beijing, June 22 (XINHUA)—Zhang Wannian, chief of the general staff of the Chinese People's Liberation Army (PLA), met here today with Nicolas De Bari Hermoza Rios, president of the Joint Command of the Peruvian Armed Forces and Commander of the Army, and gave a dinner in his honor.

This morning, Zhang held a ceremony to welcome General Hermoza and accompanied him in reviewing a guard of honour of the three services of PLA.

Meets Chi Haotian

OW2306111495 Beijing XINHUA in English
1100 GMT 23 Jun 95

[FBIS Transcribed Text] Beijing, June 23 (XINHUA)—Chinese State Councillor and Defense Minister General Chi Haotian met with General Nicolas De Bari Hermoza Rios, president of the Joint Command of the Peruvian Armed Forces and commander of the Army, in the Great Hall of the People here today.

Extending a welcome to the Peruvian army chief's first visit to China, Chi expressed the belief that the Peruvian general's ongoing trip would help promote the friendship and cooperation between the two peoples and the two armies.

Chi noted that China and Peru have had longstanding friendly exchanges, and they have had good cooperation in international affairs.

An effective cooperation between the two countries and their armies would exert a great influence in the Asia-Pacific region in terms of peace, stability and development, he added.

During the Peruvian guests' stay in China, they are expected to visit east China's Shandong Province and Shenzhen and Guangzhou cities in south China.

Huang Ju Makes Official Visit to Uruguay

Meets Party Leader

OW2206150995 Beijing XINHUA Domestic Service
in Chinese 1006 GMT 19 Jun 95

[By reporter Liao Zhenquan (1675 7201 0356)]

[FBIS Translated Text] Montevideo, 18 Jun (XINHUA)—At a meeting here with a CPC delegation led by Huang Ju, member of the CPC Central Committee Po-

litical Bureau and secretary of the Shanghai Municipal CPC Committee, on 18 June, Alberto Brunt [name as transliterated], chairman of the Uruguayan Blanco Party Leading Committee, said: Uruguay and the Uruguayan people will forever be friends of China and the Chinese people.

At the meeting, Huang Ju reviewed the contacts and friendly relations between the two parties over a long time, and thanked Brunt for receiving the delegation despite his indisposition. He expressed the belief that during Brunt's tenure as the Blanco Party chairman, friendship and cooperation between the two parties will be further strengthened.

Saying that he was honored to receive a party delegation from a such big country like China, Brunt emphasized the importance of interparty ties to relations between states.

Chinese Ambassador to Uruguay Xie Rumao was present at the meeting.

The same day, Huang Ju and the delegation also visited the state of Florida in central Uruguay.

At a welcoming ceremony in the main hall of the state government, both Governor Amaro [name as transliterated] and Huang Ju delivered ebullient speeches.

Extending a warm welcome to the CPC delegation on behalf of the people of the state, Governor Amaro said: Uruguay seeks not only political but also economic independence. In economic development, Uruguay received and is still receiving China's assistance. Almost all woolen yarn produced by the woolen mills in Florida are exported to China; and the state government is very proud of this. He hoped that relations between the two countries will be further expanded.

Huang Ju was very delighted to see herds of livestock and beautiful scenery and to meet hospitable people in Florida State. He said: Despite the distance that separates China and Uruguay, there exists a profound friendship between the two countries. China, a country with 1.2 billion people, is a friend of Uruguay. China's vast market provides broad prospects for economic exchanges between the two countries. He hoped that the friendly and cooperative relations between the two countries will further develop.

Accompanied by Governor Amaro and other officials, Huang Ju and the delegation toured the city, visited the Florida State Museum, and viewed a colorful folk art performance.

Meets Acting President

OW2806014595 Beijing XINHUA Domestic Service
in Chinese 1305 GMT 21 Jun 95

[By reporter Liao Zhenquan (1675 7201 0356)]

[FBIS Translated Text] Montevideo, 20 Jun (XINHUA) — Acting Uruguayan President Hugo Batalla said here on 20 June that Uruguay wishes to stand with China and other countries in the front line for safeguarding world peace and peaceful coexistence among peoples of the world.

Batalla made the remark at a meeting with a CPC delegation led by Huang Ju, CPC Central Committee Political Bureau member and secretary of the Shanghai Municipal CPC Committee. He said: Mutual exchanges of visits between high-level leaders and contacts between parliament members of the two countries in recent years have not only drawn the governments of both countries closer to each other, but have also made peoples of the two countries more intimate, and improved our understanding of the significance of preserving peace and working for the people's well-being.

During the meeting, Huang Ju first extended President Jiang Zemin's regards to President Sanguinetti and Acting President Batalla. He said: China and Uruguay have attached great importance to cooperation since the establishment of diplomatic relations, and it should be particularly noted that they have achieved great margins of growth in the economic and trade fields. He said: China and Uruguay have great potential for economic development. Although the two countries are far apart, their economies complement each other greatly, and their scope for economic cooperation will gradually expand. The two countries will play great roles in the establishment of future world economic development.

Jiliamo Stilin [name as transliterated], speaker of the Uruguayan Chamber of Deputies, also met Huang Ju and his delegation on the same day, and they held cordial and friendly talks.

Stilin said emphatically: China is very important to Uruguay, be it economically, culturally, or politically. He said that during his visit to China in 1993, he personally witnessed China's vigorous development and in-depth reform, and the experience left one of the deepest impressions he had received in his political career.

Huang Ju said that he was glad to see the continuous strengthening of exchanges between the CPC and Uruguay's Colorado Party, between China and Uruguay, and between their parliaments. He said Uruguay had good prospects and great potential for development, and would play an increasingly greater role in Mercosur.

On the morning of 20 June, Alvaro Rosario [name as transliterated], acting mayor of Montevideo, met Huang Ju and his delegation. In the evening, the CPC delegates met with members of the Colorado Party National Executive Committee.

Meets Acting Vice President

OW2806064695 Beijing XINHUA Domestic Service
in Chinese 0633 GMT 22 Jun 95

[By reporter Liao Zhenquan (1675 7201 0356)]

[FBIS Translated Text] Montevideo, 21 Jun (XINHUA) — Luis Bernardo Bozolo [name as transliterated], acting vice president of Uruguay and acting parliamentary speaker of the Chamber of Deputies, met with a Chinese Communist Party delegation headed by Huang Ju, member of the CPC Central Committee Political Bureau and secretary of the Shanghai Municipal CPC Committee, at the parliamentary building on the afternoon of 21 June.

Bozolo briefed the delegation on the history and current situation of Uruguay's Parliament and spoke about the achievements that the Uruguayans have scored in struggling for freedom, peace, and a democratic system and in the area of building friendly and cooperative relations with other countries. He particularly stressed the need to enhance relations with China. He said Uruguay and China should make joint efforts to make exchange beneficial to both sides. Only that way, he said, will talk about rendering mutual support, friendship, unity, and an enhanced relationship not become empty talk, will we be able to bring more benefits to our people, and will we be able to promote both countries' progress.

Touching on the relationship of bilateral trade, Speaker Bozolo said that in addition to continuing to import such traditional Uruguayan products as wool and frozen fish, he hoped China would import other product lines from Uruguay.

During the meeting, Huang Ju talked about Shanghai's rapid economic development in recent years. He particularly mentioned the close relationship between Shanghai's woolen textile industry and Uruguay's wool. He said exchange visits between the two countries' high-level leaders would bring the two countries' entrepreneurs closer to each other. He expressed the belief that an increase in exchanges between the two countries' entrepreneurs would bring about an increase in economic and trade exchanges between the two countries.

Huang Ju said he was particularly pleased with the friendly exchange between Uruguay's Chamber of Deputies and China's National People's Congress.

He said he believed such exchanges would lead to cooperation between the two countries in other areas.

Following the meeting with the acting vice president, Huang Ju met with and briefed members of Uruguay's bicameral Foreign Affairs Committee on the tremendous achievements that China has scored in implementing the policy of reform and opening up. He stressed that China is willing to join efforts with other countries in the world to maintain world peace and to achieve human progress.

Huang Ju and his party also attended a reception for the delegation hosted by the bicameral Foreign Affairs Committee.

Concludes Visit

OW2706105695 Beijing XINHUA Domestic Service
in Chinese 0428 GMT 23 Jun 95

[By reporter Liao Zhenquan (1675 7201 0356)]

[FBIS Translated Text] Montevideo, 22 Jun (XINHUA)
— After satisfactorily winding up a five-day official visit to Uruguay, Huang Ju, member of the CPC Central Committee Political Bureau and secretary of

the Shanghai Municipal CPC Committee, and the CPC delegation led by him left here for home by plane in the afternoon of 22 June.

During their visit, Huang Ju and his party successively met Acting Uruguayan President Batalla, Acting Vice President and parliamentary leader Bozuohuo [name as transliterated], Senate President Sidilin [name as transliterated], members of the National Executive Committee of the Uruguayan Colorado Party, and chairman of the Uruguayan Blanco Party Leading Committee. Both sides briefed each other on their respective domestic situations and exchanged views on how to further develop friendly cooperation in all fields of endeavor between the two countries.

In addition, the CPC delegation traveled to Florida State, toured Punta del Este, a tourist attraction, and visited factories and farms. Delegates were accorded warm, friendly receptions wherever they went.

Uruguay was the second leg of the CPC delegation's visit to South America. Before its arrival in Uruguay, the delegation visited Brazil.

Political & Social

Jiang Zemin Criticized for Premature Announcement

HK2806081295 Hong Kong SOUTH CHINA MORNING POST in English 28 Jun 95 p 8

[By Willy Wo-lap Lam]

[FBIS Transcribed Excerpt] President Jiang Zemin has been criticised for making a public statement on economic policy before it had been "cleared" by the Politburo Standing Committee. Party sources in Beijing said yesterday that at a recent meeting of the Standing Committee, China's highest council, Mr Jiang was mildly upbraided by National People's Congress Chairman Qiao Shi and Vice-Premier Zhu Rongji.

However, political analysts said the incident was less a sign Mr Jiang's star was on the wane than a reminder colleagues expected him to share power. During the meeting, Mr Qiao and Mr Zhu were quoted as saying: "You should have consulted the full Standing Committee before making the statement."

The sources said Mr Jiang, Mr Qiao and Mr Zhu, together with the four other members of the committee, later reaffirmed an earlier agreement they should wait until the body had come to a consensus before airing views in public. They said Mr Jiang made an indirect apology, saying he would be more cautious next time. It is understood the statement at issue concerned the future of the country's programme of "macro-economic adjustments and controls".

Analysts said Mr Jiang was not in trouble as senior cadres, including Politburo members, had become more convinced it was in their interest to preserve stability by rallying behind him. However, the incident was a clear indication he was expected to share power with other Standing Committee figures if he wanted this support to continue. [passage omitted]

Jiang Zemin Inspects Heilongjiang 19-21 Jun

SK2806071495 Harbin Heilongjiang People's Radio Network in Mandarin 1000 GMT 27 Jun 95

[FBIS Translated Text] During his tours made in Heilongjiang Province to inspect the province's work, Jiang Zemin, general secretary of the CPC Central Committee, state president, and chairman of the Central Military Commission, pointed out: Over the past year, Heilongjiang Province has scored a great improvement and marked achievements in its work. Only by further heightening its spirit, conducting its work realistically and painstakingly, straightening out its ideas, and deepening the reform will the province certainly be able to reach a new level hereafter.

From 19 to 21 June, General Secretary Jiang Zemin accompanied by Yue Qifeng, secretary of the provincial party committee; Governor Tian Fengshan; and Wang Xianmin, member of the provincial party standing committee and secretary general of the provincial party committee; successively inspected Dongan Engine Manufacture Company, Dongbei Light-Alloy Steel Processing Plant, Harbin Flax Textile Plant, Longjiang Electric Work Plant, Hualin Enterprise Group, Mudanjiang Pharmaceutical Factory, Kaijia Electronic Company in Mudanjiang, and Wood-Working Machinery Plant in Mudanjiang. They also heard the work briefings given by the provincial party committee and the provincial people's government.

Jiang Zemin stated: Over the past year, Heilongjiang has scored a great improvement and marked achievements in its work. Its general situation is developing toward a good direction. The province's GNP in 1994 showed a 1.7 percent increase over 1993 and topped the peak that scored over the past few years. Its grain output broke the record of 50 billion jin and the increased scale of per capita income in both urban and rural areas was higher than before. Social undertakings in various fields achieved certain development. During the January-May period of this year, the economy in the province as a whole continued to be fine. Such achievements are the outcome scored by the provincial party committee and the provincial people's government that have led the people across the province to commonly make efforts under the guidance of Deng Xiaoping's theory of building socialism with Chinese characteristics.

Jiang Zemin pointed out: Heilongjiang is a large province with solid foundations in industry and agriculture. Its strategic position is very important. Succeeding in building up Heilongjiang has a very important significance on carrying out economic construction in the country as a whole, on developing economic and trade cooperation between China and Russia as well as between China and the DPRK, and on maintaining the stability of the country's northern border line. Currently, Heilongjiang is actually encountering certain difficulties in the course of economic development. The proportion of heavy industry in the province is higher, the mandatory plans undertaken by the province are many, the structure is relatively unitary, the influence exerted by the traditional planned economy is deeper, and contradictions and problems cropping up in turning planned economy into the market one are relatively prominent. In facing these difficulties, first, we should be earnest. Only by earnestly analyzing the difficulties, adopting an earnest attitude toward the difficulties, and conducting our work in a down-to-earth manner can we overcome them. Second, we should be spiritual more or

less. Only by standing upright spiritually will we have the courage and will of overcoming difficulties. Judging from the situations prevailing in the localities where I had visited, the general mental attitude displayed by staff members and workers across the province is fine and the quality of contingent of staff members and workers is also fine. Such attitude and quality are very commendable. Therefore, we should further heighten our spirit and work hard and realistically to better build up Heilongjiang.

Jiang Zemin stated: Agriculture has a vital bearing on the issue of ration food for the 1.2 billion population of China and on the issue of the foundation of the national economy. The province's potential in agriculture is very great. The central authorities have placed great hopes on the province to tap its potential. In line with the plan formulated by the provincial party committee and the provincial people's government, based on the existing volume, the province's grain output will show a 15 billion jin increase by 2000 and a 50 billion jin increase by 2010. This will be a tremendous contribution made by the province to the country as a whole and will be also favorable for the province to develop its economy. The state should give support in the fields of policy and investment to the province's grain production development.

Jiang Zemin pointed out: The province's proportion of state-owned large- and medium-sized enterprises is large and the practical strength of these enterprises is strong. Such strong points must be firmly grasped. Through deepening reform in industrial systems, efforts should be made to accelerate technical renovations to restore the prestige of the old industrial base. The goal of deepening the reform is to establish modern enterprise systems. Currently, we should actively do a good job in conducting the pilot work of establishing modern enterprise systems. Enterprise reform and renovation represent systematic reform and reorganization. We should integrate enterprise reform organically with the enhancement of internal management. The foothold of enterprise reform should contain the efforts made by the enterprises themselves. The state should support the reform as much as possible. In bringing in foreign capital, existing enterprises should do a good job in appraising their assets to prevent the losses of state-owned property.

Jiang Zemin also pointed out: Relatively speaking, the development of township enterprises and of establishments in other economic sectors across Heilongjiang is slower. The development of the tertiary industry is also relatively slow. Therefore, while boosting state-owned enterprises, we should accelerate the development of township enterprises and tertiary industry and

adequately develop privately owned enterprises and enterprises of other categories. This will play an active role in promoting the economic development in the province.

Jiang Zemin pointed out: The Ninth Five-Year Plan period is a crucial period in which we will fulfill the second strategic target put forward by Comrade Deng Xiaoping. Straightening out the ideas, successfully formulating the Ninth Five-Year Plan, and successfully conducting the work in the period have a very important significance. An important principle in straightening out the ideas is to accelerate the transformation of economic growth styles, to orient economic construction onto the track of chiefly relying on scientific and technological progress and of upgrading quality of laborers, and to regard the upgrading of quality and benefit of economic growth as an important guiding ideology in future economic work.

Jiang Zemin stressed: We should adopt a correct attitude toward the settlement of relations among reform, development, and stability. He stated: Reform represents a motive force; development, a purpose; and stability, a premise. All of the three are unified in changes and supplement one another as well as represent the summarization of experiences gained by us over the past dozen years in conducting reform, opening up, and economic construction. Such experiences have not come easily. Dealing very adequately with the relations among reform, development, and stability represents an important yardstick in measuring the capabilities of cadres. Difficulties currently encountered by Heilongjiang in the course of development are relatively many. Some enterprises cannot pay their staff members and workers on schedule. Under the situation, we must go deep into the masses to make good job arrangements for the reemployment of workers and to help enterprises pay their staff members and workers on schedule on the one hand as well as to carefully conduct the ideological and political work to relieve contradictions and to maintain social stability on the other.

During his inspection tours in Harbin, General Secretary Jiang Zemin also paid visits to the officers and soldiers of the People's Liberation Army (PLA) units and of the armed police force as well as to public security cadres and policemen.

Accompanying General Secretary Jiang Zemin on the inspection tours were leading comrades from the relevant departments and commissions of the CPC Central Committee and the State Council as well as from the PLA units, including Zeng Qinghong, Wang Zhongyu, Zeng Peiyan, Li Jing, Wang Ke, Xu Youfang, Zhou Zhengqing, (Kong Hu), (Peng Wensheng), (You Qigui), and (Jia Chengan).

Li Ruihuan Addresses CPPCC Standing Committee
HK2806060095 Beijing ZHONGGUO XINWEN SHE
in Chinese 1127 GMT 5 Jun 95

[By Zhao Haiyan (6392 3189 3601): "Li Ruihuan Says That the CPPCC's Democratic Supervision Should Help Strengthen and Improve CPC Leadership"]

[FBIS Translated Text] Beijing, 5 Jun (ZHONGGUO XINWEN SHE) — CPPCC Chairman Li Ruihuan pointed out here this afternoon that all democratic parties and mass organizations, as well as people in all walks of life, which join the Chinese People's Political Consultative Conference [CPPCC] are in no way opposition parties or factions similar to those under the Western multiparty system, so their suggestions, criticisms, and supervision should help strengthen and improve the CPC's leadership.

He continued: It is a long-term and complicated task to exercise the functions of the CPPCC. It is necessary to push the work forward enthusiastically and prudently. It is essential to uphold the CPC's leadership and to submit the CPPCC's work to the state's overall interests. All activities organized by the CPPCC must help to promote reform, opening up, and the modernization drive, as well as to preserve political stability and unity. It is necessary for the CPPCC to proceed from reality in all cases, and to perform its duties by carrying out various activities in a gradual and down-to-earth manner.

The 13th session of the eighth CPPCC standing committee ended this afternoon. Li made a speech at the closing session which was entitled "Several Issues Concerning the CPPCC's Functions." He came up with 10 opinions in his speech.

— The CPPCC is an important forum for giving play to socialist democracy. It is a united front in nature so it can represent various organizations and can accommodate various political positions. This helps various parties, organizations, and sectors joining the CPPCC to take part in political activities in all fields. The democratic consultation it practices can reflect the majority's aspirations, as well as absorb the minority's reasonable views, thus making the policy-making process more democratic and scientific. The cooperative relations among various parties which are displayed by the CPPCC enable the ruling party to hear the opinions of democratic parties frequently, and make it convenient for the democratic parties to participate in government and political affairs, thus facilitating long-term coexistence and mutual supervision.

— It is necessary to deepen the political consultation in an organized and planned way. The "Circular" issued by the CPC Central Committee — which calls on various

areas and departments to conscientiously carry out the "CPPCC National Committee's Regulations on Political Consultation, Democratic Supervision, and Participation in the Administration and Discussion of State Affairs"

— In fact has incorporated the CPPCC's practice of political consultation into the state and local administration's policy-making procedure. It takes time and energy to follow the procedure, and it will cause a little "trouble" too, but it gives expression to democratic rights. Following the procedure also represents a process of pooling the wisdom of the masses, and a little additional trouble can reduce the big troubles caused by mistakes in policy-making. It takes time, and it calls for the efforts of various sectors to meet the CPC Central Committee's requirements, namely to hold earnest consultations before making policy decisions, and gradually to make it a rule for everyone to observe. To achieve this, the CPPCC should do more painstaking work. It is essential to draw up a plan for the consultation so that the practice will become more lively and fruitful.

— It is necessary to exercise effective democratic supervision. The democratic supervision exercised by the CPPCC is an important component of the people's supervision, which comprises mutual supervision between the CPC and the democratic parties within the united front, and the organized supervision over state organs and their personnel exercised by representatives from all social sectors. The CPC Central Committee, with Comrade Jiang Zemin at the core, has called for efforts to strengthen such supervision, and the broad masses of the people also hope to actually exercise such supervision. To develop a socialist market economy, we must make great efforts to make such supervision a success. The CPPCC should increase the weight of democratic supervision to meet the needs of the situation. The CPPCC should improve the way the supervision is exercised, and should enable it to coordinate with the supervision by other sectors. The CPPCC should establish close ties, and intensify its cooperation with the discipline inspection commissions under the CPC, the organs of state power, judicial offices, and administrative and supervisory organs, so that it will tangibly and actually exercise democratic supervision. It is necessary to protect CPPCC members' supervisory right.

— It is necessary to further expand the area in which the people can participate in the discussion and administration of state affairs. The CPPCC should take part in and carry out consultations in various fields; conduct thorough investigations and studies; organize forces to launch special investigations focusing on the central task; and come up with quality, operational, and far-sighted suggestions after having made scientific analyses and appraisals. Making public participation in the

discussion and administration of state affairs a principal function of the CPPCC represents progress and development in the CPPCC's work under new historical conditions.

— Understanding and reflecting popular will is an important basis and key link for the CPPCC's exercising its functions. This also accords with the people's aspirations and with the requirements set by the ruling party and the government, so we should make this work a success. The CPPCC National Committee should establish close ties with CPPCCs at all levels, with all participating units, and with the large numbers of CPPCC members. It is necessary to handle information effectively. To this end, it is essential to establish and improve the institutions reflecting popular feelings as soon as possible, and to equip them with modern facilities so as gradually to build up an information network with sensitive and unimpeded channels.

— It is necessary to give full play to CPPCC members. It is essential to mobilize CPPCC members frequently to take part in various activities; to brief them on new developments in a timely manner; and to maintain close ties with the masses and let the higher level know their aspirations and demands. At the least, every CPPCC member should make a quality suggestion, and should provide one piece of valuable information per year so as to make them worthy representatives of their sectors.

— It is necessary to guide and push forward our work by making use of our experience. The CPPCC must attach importance to practice and to analyzing the experience accumulated in our practice; acquire a habit of analyzing experience; and improve the skill at analyzing experience. It is essential to pass useful experience into rules and regulations, and gradually to improve them and make them coordinate with each other. It is also necessary to standardize and institutionalize the CPPCC's functions. The CPPCC must give top priority to practice, and must deepen its understanding, enrich its experience, and improve its work by engaging in actual work and by analyzing its experience again and again.

It is necessary to implement the CPC's guidelines. We must set new and stricter demands on CPPCCs at all levels. All working staff of CPPCCs at all levels must stress quality, efficiency, standards, and coordination so as to ensure that they do their work in an orderly and effective manner.

— The CPC's instructions have made the CPPCC's task tougher, and have created favorable conditions for its work. We should acquire a clear understanding of the situation, seize the opportunity, and work hard so as to make substantial progress in our work.

Qian 'Satisfied' With Preparations for NGO Forum
OW2706142395 Beijing XINHUA in English
1344 GMT 27 Jun 95

[FBIS Transcribed Text] Beijing, June 27 (XINHUA) — Chinese Vice-Premier and Foreign Minister Qian Qichen inspected the site of the '95 Non-Governmental Organizations (NGO) Forum on Women today in Huairou County, northeast of Beijing.

He inspected NGO meeting halls, accommodation facilities and traffic conditions at the Huairou International Conference Hall, Nanyuan Compound, Yanxi Lake, Yunxiu Hotel and Sports Activity Center.

Qian said that the environment in Huairou is beautiful, the transportation is convenient, the facilities are complete and the information channels are clear.

"Huairou is capable of holding large international meetings," he said.

According to Yue Fuhong, secretary of the County Committee of the Chinese Communist Party, the Huairou International Conference Hall, which can hold 1,525 people, has been reconstructed.

Another two meeting halls which can hold 1,000 and 400 people, respectively, have also been refitted.

These halls are equipped with simultaneous interpretation facilities. Other facilities for the forum will be ready in the near future.

Qian said he was satisfied with the preparatory work done by the China Organizing Committee (COC) of the Fourth World Conference on Women of the United Nations and the county.

Yue said that the 39 hotels and training center, eight compounds for foreigners and 63 apartment buildings in Huairou will meet the demands of the 10-day NGO Forum.

Beijing Mayor Li Qiyang said that the reception capability in Huairou is of a high standard compared with that of the downtown area of Beijing, and is first-class among suburban areas of the city.

Peng Peiyun, State Councilor and president of the COC of the Fourth World Conference on Women of the United Nations, and Luo Gan, secretary-general of the State Council, accompanied Qian during his inspection.

Qian Qichen Gives Report to Hunan Cadres
HK2806091795 Changsha Hunan People's Radio
Network in Mandarin 2300 GMT 13 Jun 95

[FBIS Translated Text] Yesterday morning, over 1,000 leading cadres from organs directly under the provincial

authorities gathered at the provincial party committee auditorium to listen to a report on the international situation presented by Qian Qichen, member of the CPC Central Committee Political Bureau, State Council vice premier, and foreign minister.

In his report, Qian Qichen first analyzed in detail the current international situation, and, in particular, analyzed and assessed our country's foreign policy and questions on Taiwan, Hong Kong, and Macao.

The report meeting was presided over by Deputy Provincial Party Secretary and Governor Yang Zhengwu. Provincial Party Secretary Wang Maolin, Director of State Council Office of Foreign Affairs Liu Huaqiu [as heard], and other leaders of the provincial party committee and of the provincial government were present at the report meeting.

No Confirmation of Re-Detention of Chen Ziming

HK2706141095 Hong Kong Television Broadcasts Limited in English 1200 GMT 27 Jun 95

[From the "News at 8:00" program]

[FBIS Transcribed Text] A Chinese Government spokesman today would not confirm or deny that prominent dissident Chen Ziming has been re-detained. Yesterday, Chen's family said authorities have revoked a medical leave that suspended a 13-year sentence.

NPC Standing Committee Convenes Full Meeting

OW2806102995 Beijing XINHUA in English 1020 GMT 28 Jun 95

[FBIS Transcribed Text] Beijing, June 28 (XINHUA) — The 14th session of the National People's Congress (NPC) Standing Committee convened a full meeting here today to hear reports on the final state accounts for 1994, on the country's statistical work and on the implementation of the law on protecting the rights and interests of women.

Its chairman, Qiao Shi, presided over the meeting, also attended by nonvoting delegate Vice-Premier Jiang Chunyun and Ren Jianxin, president of the Supreme People's Court.

Finance Minister Liu Zhongli said that the final state accounts for 1994 show that the state deficit last year was 57.452 billion yuan, 9.467 yuan less than the predicted figure in the budget.

The fiscal revenue in 1994 was 521.81 billion yuan, 109.6 percent of the budget, and the expenditure reached 579.262 billion yuan, 6.7 percent over the budget.

Director of the State Statistics Bureau Zhang Sai said China has resorted to the development of science and

technology and the rule of law to safeguard the quality and timeliness of data. He assured lawmakers that the major data on inflation rates and production value can be trusted.

But he noted that statistical deceptions in some localities and departments must be brought to an end with joint efforts from the Party and government bodies.

Li Ximing, vice-chairman of the NPC Standing Committee, said that inspections of the enforcement of the women's rights law in eight provinces and regions this year have indicated that all their rights and interests are basically protected.

Women are now more involved in politics, Li said, explaining that the number of women officials in the country has reached 12.371 million, accounting for 32.59 percent of the total and 474,000 more than last year.

Women's right to education is better safeguarded, he said. Remote Yunnan Province, once known for its low school enrollment rate now has 95.8 percent of its school-age girls in school.

However, serious infringements of woman employees' rights have been discovered in some foreign-funded, private and township enterprises, and prostitution and abduction of women still exist, he said.

A written report on NPC delegations' visits to Mauritania and Kuwait was also submitted to the legislature.

Plenum To Decide on New Anticorruption Policy

HK2806054095 Hong Kong CHING PAO in Chinese 5 Jun 95 pp 20-23

[Article by Chang Mu (1728 3092): "New Policy Will Be Decided at the Fifth Plenary Session; Jiang Zemin Floats New Anticorruption Concepts"]

[FBIS Translated Excerpt] Jiang Zemin became CPC general secretary at the end of June 1989. Over the last few years, it has become almost a rule that formal central plenary sessions are convened only once a year. Compared with three central plenary sessions per year when Jiang Zemin first assumed the position, it seems that the CPC's third-generation leadership collective, put into being jointly by senior leaders like Deng Xiaoping and Chen Yun, finally has acquired an authoritative status and established its rules of operation.

Since Jiang Zemin came to power, he has never forgotten Deng Xiaoping's advice that he should do a few practical things that are highly visible to the general public, such as fighting graft, rectifying party style, developing the economy, and stabilizing the national

situation. With the onslaught of the market economy, however, a number of nationally and internationally sensational corruption cases were uncovered among CPC party and government cadres. Faced with spreading corruption and the degeneration of high-ranking cadres who womanize and chase money, CPC policy-makers scrutinized the cadre management and personnel system to identify problems and loopholes, and they adopted a series of measures, hoping that with these, they can prevent the decline of public-service consciousness among cadres, as well as their administrative quality.

To keep up with world science and technology, and with the future international economy, and to compete in markets, a national conference on science and technology, dubbed the "third landmark in scientific and technological development," was convened in Beijing in the second half of May. Jiang Zemin stressed: The central mission, as well as the primary objective of scientific and technological work is to promote economic development and to raise the scientific and technological level in the process of integrating science and technology with the economy. This is the only course through which to liberate and develop science and technology under a market economy. One of the key agendas of the conference was speeding up scientific education and industrializing science and technology in line with the strategy of full-scale national development in the 21st century. With this concept serving as a spearhead, the authorities are stepping up their efforts in drafting the last five-year plan before the end of the century — the "Ninth Five-Year Plan," which is scheduled to be deliberated and adopted by the Fifth Plenary Session of the 14th CPC Central Committee in the second half of the year before it is tabled to the National People's Congress [NPC].

Two Defense Lines To Check and Balance Powers

Fighting corruption is a key element in the effort to refresh the party's image, placate the people, and stabilize the situation. The CPC's third-generation leadership collective has been in power for six years. Corruption has grown worse during this time, and cadres of increasingly higher ranks have been caught committing the crime. This situation deserves serious thought. There is an unspoken belief that a planned economy operates in "direct contrast" to a market economy, so much so that forcibly integrating the two will lead only to chaos in operation and management. It is also believed that because the incumbent leaders have ruled out transparency in decisionmaking, they actually endorse absolute power. Absolute power, unfettered by supervision and restraints, inevitably breeds absolute corruption. Another viewpoint emphasizes that in a socialist

system, the ruling party is based on public ownership, and the more pronounced the private economy is, the greater the worship of money will be, which means that corruption cannot be avoided. This viewpoint, however, which argues that corruption is "unavoidable in structural changes," does not seem to have addressed the crux of the problem.

Authoritative CPC theoreticians declared that in the new era, upholding public ownership as the mainstay of the economy, while allowing the growth of a private economy, requires the practice of a more sophisticated art of leadership from the ruling party. At the same time, efforts must be made to promote parallel reforms in the political system, and to build and strengthen the party's supervisory system into, hopefully, a gradually improving mechanism to balance and check powers. Such a mechanism eventually will integrate organically the party's organizational supervision, with the supervision in the state apparatus and that provided by the NPC, the Chinese People's Political Consultative Conference, the people, and the media, and it will evolve into a strong and comprehensive supervisory system. Only then can corruption be attacked at its root.

Jiang Zemin stated: In our fight against corruption, we must install two lines of defense: One is party spirit, ideological enlightenment, and moral cultivation; the other is party discipline and state law. In strengthening ideological education and raising the awareness of strict self-discipline and clean government, we will have installed an ideological and moral defense. This will prevent corruption. In establishing and perfecting the supervisory and restraint mechanism, and in firmly investigating and punishing corruption according to the law, we will have enforced party discipline and state law. This will ensure that corruption does not go unpunished. The former is preventive and the latter is punitive; the two are equally important.

To clear the hotbed that is breeding corruption, the CPC imposed a series of regulations aimed at achieving clean government and self-discipline among cadres of the office and county ranks. These regulations require that property be declared and gifts registered. They ban entertainments paid for with public funds, and forbid cadres from accepting invitations that involve a conflict of interest. Jiang Zemin believes that although banquets, reveling, and entertainment are not serious crimes, it is offensive to the populace, who are forced to witness such activities everyday. Such activities are responsible for the perception that greater anticorruption efforts lead only to greater corruption. Leaders will be perceived to be good at fighting corruption if they can stop such banquets, reveling, and entertainment. It shows that you have achieved

something if, at the end of the day, business at the cabarets and ballrooms in your jurisdiction is cut by half, and if a number of such venues has closed. If business continues as usual, this shows that you have done precious little. Of course, we must distinguish between reveling and entertainment for legitimate business purposes and those for making deals. The former is needed, although we should try to pair it down to a minimum. In addition, there should be standards governing such activities. The banquets may be a little lavish compared with eating at home, but they should not be extravagant and wasteful. There also should be discipline. It will not do to grant requests for entertainment without having a system in place to monitor and check the results. Entertainment and reveling for making deals should be banned. This means that we are not allowed to accept banquet invitations that might interfere with the discharge of civil servants' duties in a just and fair fashion. In enforcing discipline, we should focus on people who accept banquet invitations for deals and who abuse their powers as a result.

Promote and Appoint the Capable, and Avoid Blind Areas

Deng Xiaoping has stressed repeatedly: "Leadership and organization are issues that have a fundamental and long-term impact on stability and the overall situation." Personnel are the key to administration. In scrutinizing the recent process of promoting and appointing young and capable cadres, the CPC high echelons have identified many urgent problems. In some localities and units there are wirepulling, behind-the-scenes lobbying, and demands for benefits from officials. Individual leading cadres make personnel decisions based on their personal likes and dislikes, or even grudges and gratitude. Some units and departments flout procedures in appointments and dismissals, promote unqualified cadres to key positions and thus hurt the party's image and the cause of modernization.

In fact, the CPC has put in place many specific standards and procedures governing cadre promotion, but these have been distorted or disrupted by leaders who abuse their positions for personal gain under the excuse of breaking conventions and promoting people in a bold manner, with the result that "people with manners (read 'giving gifts') go places, while those without manners get stuck in one place." Zhu Rongji, vice premier of the State Council, hit the nail on the head when he pointed out: In pursuing clean government, apart from demanding stricter discipline and educating government workers about their outlook on life and value concepts, we have to deal with the problem

of arbitrary authorization, which is the soil of corruption in certain government departments. Arbitrary authorization creates many problems. A cadre can approve or not approve a petition, approve it more or less, or do so earlier or later. Since there is no procedure, you have nothing on him. Accused of breaking the law, he can ask: What law have I broken? And he has a case. This leads to petitioners' using back-door channels or even greasing his palm. Many departmental squabbles are over this power of authorization. Never have I seen any of these cadres do the same about responsibility. It is this power of authorization that they are fighting for when they argue about jurisdictions. We have to think of a way to resolve this problem. The most important thing is to put in place a clear set of procedures and to enforce it conscientiously. [passage omitted]

Important Decisions at the Fifth Plenary Session

A conference on science and technology has been called by the CPC as planned. It was convened to provide a foundation for the Fifth Plenary Session's making a scientific decision on the "Ninth Five-Year Plan" and a blueprint for the year 2010. It is safe to say that in future development, China will pay greater attention to the role of modern science and technology in stimulating the economy and, indeed, agriculture. CPC high echelons also have stressed that there should be greater policy preferences for the mid-west region in order to achieve balanced development of the overall economy.

On a tour around the country, Jiang Zemin said that most people in rural areas are still living in a natural economy. "They only breed chickens to trade them for salt, raise pigs in order to slaughter them at Chinese New Year, and keep cows to farm their fields with." Concepts typical of small peasantry, such as "a pig and a duck will be enough to live on," are still prevalent. There is no way yet to mass produce commodities in rural areas. That is why we must strengthen the role of science and technology in agricultural work, popularize suitable technologies, and guide peasants to raise the labor productivity rate considerably. They should have 10 or even 100 times the output they achieve for the same production time, and sell this output on the market. This is the only reliable way to increase social wealth and income. In making use of science and technology to change the mode of production, it is necessary to focus efforts on developing new key industries and leading enterprises, and on expanding economies of scale. We should not be content with traditional small projects, otherwise we will not be heading in the direction of genuinely relying on

science and technology, specialization, and socialized mass production.

It is reported that there are 500 large and influential corporations and enterprises nationwide, accounting for 36 percent of the total assets of the entire state-owned industry, 46 percent of total sales value, and 63 percent of total realized profits. These corporations and enterprises have been described by CPC high echelons as a "critical few" and as the leading force of the national economy. In view of this, future development naturally will concentrate on increasing the economic strength of large state-owned corporations, raising the inputs of modern science and technology, and entering into international market competition.

With considerable improvement in China's investment environment and in the highly competitive world market, and the fact that China's domestic market has entered into market competition, the CPC must have an industrial policy for attracting foreign capital. Zhu Rongji pointed out: In order to have a development strategy, when importing a technology, we must consider whether or not it is advanced, has a market, and can make money. Encouragement should be given to: 1) Industries and trades that already enjoy a domestic and overseas market; 2) advanced technological projects of practical value; 3) investment in infrastructure industries, which will provide a stable market; and 4) high- and new-technology industries. Investment by high- and new-technology industries also can increase overall national strength. The CPC also has drafted an outline on population which reiterates that the present family planning policy remains unchanged.

Attention should be paid to the fact that faced with a new situation in the anticorruption fight, the CPC cannot seem to avoid making some suitable personnel reshuffles among high-level decisionmakers.

CPC Giving Members Training on Deng's Theories
OW2706141295 Beijing XINHUA in English
1403 GMT 27 Jun 95

[FBIS Transcribed Text] Beijing, June 27 (XINHUA) — The Communist Party of China (CPC) is educating its 55 million members in Deng Xiaoping's theories of building socialism with Chinese characteristics and the CPC constitution in three years, a party official said today.

The move, starting last year, is intended to "upgrade the qualities of the Party members and increase their sense of duty as pioneers of the working class," said a spokesman for the Organization Department of the CPC Central Committee.

The systematic study scheme, which applies to every Party member, will also "enhance Party construction and beef up the Party leadership," he said.

Party committees of the central Party and government bodies, and committees of provincial bodies have all made concrete plans to implement the decision, said the spokesman, adding that half of the Party organizations at the center have already started the education courses.

Some 247 training seminars have been held by the organizations to train 7,880 Party members, among whom 4,000 are officials at or above the county-head level.

The spokesman said that some local committees have combined the study with work in the Party and administrations, and solved some major problems inside the Party.

The Shanxi provincial committee decided to improve work efficiency in Party and government bodies after studies. Heilongjiang Province in northeast China beefed up efforts to punish Party officials who had violated discipline.

The spokesman said the general trend of theory learning has been upward, and some localities and departments have seen notable results from it.

But the general situation is not satisfactory compared with the demands from the Party Central Committee, he said.

He urged Party chiefs at various levels to set examples in the study campaign and lead others to further the drive.

'Roundup' on Success of CPC Diplomatic Policy
OW2806085895 Beijing XINHUA in English
0841 GMT 28 Jun 95

["Round-up: CPC Diplomacy Creates New Situation" — XINHUA headline]

[FBIS Transcribed Text] Beijing, June 28 (XINHUA) — The Communist Party of China (CPC)'s links with its overseas counterparts have ushered in a new, extensive and active period since the early 1990s, with the Party having forged ties with more than 300 political parties in power or participating in power, and other major political parties in over 120 countries.

Over the past few years, the conspicuously increasing Party links and exchanges with foreign political parties were featured by the expansion of scope, level and form.

So far this year, 42 political party delegations from foreign countries have visited China, and General Secretary

of the CPC Central Committee Jiang Zemin and other Standing Committee members of the Political Bureau of the CPC Central Committee, have met with foreign party visitors on 19 occasions. In the first half of this year the CPC sent eight delegations to 12 countries either for strengthening bilateral ties or attending Party Congresses. Last year, more than 1,000 delegates in 200 groups from dozens of countries came to China.

According to the International Liaison Department of the CPC Central Committee, the foreign political parties that have forged links with the CPC, whether in power or not, include almost all categories of parties in China's neighboring countries, national or democratic parties in developing countries, socialist parties, social democratic parties, labor parties, liberal parties and conservative parties in developed countries, and all other parties that are friendly to the Chinese people and the CPC.

The CPC has historically attached great importance to developing links with its foreign counterparts. It considers the establishment and reinforcement of party-to-party ties as important aspects of the country's overall diplomacy. However, party-to-party ties are not intended to resolve specific issues between states; rather, they tend to exchange views on both internal and external issues, and on the experience of party building through various channels, with a view to enhancing mutual understanding and promoting friendship between peoples and relations between countries.

With the shifting of the focus of the work of the CPC and the Chinese government following the Third Plenary Session of the 11th CPC Central Committee in 1978, the CPC's objective in conducting overseas exchanges is to strive for a favorable international environment for the country's reform and opening, and for the modernization drive as a whole.

In its overseas contacts the Party has since followed the four principles of "independence and self-determination, complete equality, mutual respect and non-interference in each other's internal affairs" in handling its foreign exchanges, without making the similarity or difference of ideology or social system a condition or prerequisite in this regard. The said four principles in dealing with party-to-party affairs are a reflection of the Five Principles of Peaceful Co-existence, which China pursues in handling its relations with foreign countries.

With the end of the Cold War, the Party has continued to pursue policies and principles aimed at seeking common ground and co-operation on major issues of international concern, namely the issue of peace and development. Facts have shown that the CPC's above fundamentals have won widespread support and have been accepted by many overseas political parties.

The CPC is the force at the core leading China and plays a vital role in the country's political, economic and all other aspects of social life. For overseas political parties, it is necessary to know about the CPC if they want to know about China. It is also necessary for them to strengthen links with the CPC if they want to develop relations with China. For the CPC's overseas links not only with political parties in power and those participating in power but also influential persons of parties not in power, are considered to be beneficial to maintaining the continuity of the friendly ties between China and the relevant countries. This is particularly true when many countries are governed by elected political parties.

Presidents or prime ministers of some countries visit as chiefs of their parties before being elected to power. After they are in power they help promote relations with China. And in the case of some African and Latin American countries, their diplomatic links with China are attributed to the links between the CPC and relevant political parties.

During contacts with overseas parties, the CPC has also helped promote economic ties between countries, including introducing opportunities for foreign investors, and importing technology and personnel for relevant government departments.

Central Organs Recommend 100 Books for Young People

*HK2806024695 Beijing RENMIN RIBAO in Chinese
24 May 95 p 4*

[Article by staff reporter Zhu Huaxin (4376 5478 2450): "Central Propaganda Department, Other Units Holds News Briefing, Stress Need To Unswervingly Carry on With Reading Campaign"]

[FBIS Translated Text] Beijing, 23 May (XINHUA) — The Central Propaganda Department, the State Education Commission, the Ministry of Culture, the Press and Publications Administration, and the Central Committee of the Communist Youth League have jointly recommended 100 books on patriotic education to primary and secondary schools across the country. (A list of the books is found on page 5 of this paper). At today's news briefing, responsible comrades of the Central Propaganda Department and other units stressed the need to carry on with the Reading Campaign for young people, and to make sure that practical results be obtained.

The 100 books were chosen carefully by experts of various circles over nearly a year on the basis of over 1,000 books selectively sent in from more than 80 publishing houses. They include stories, novels, poems, leg-

ends, literary reportage, and various other genres of literature. They talk about many aspects, including traditional Chinese virtues, geographical knowledge, economic achievements, scientific and technological inventions, and historical stories. They are flowing in style, beautifully worded, and suitable for teenagers. They are divided into the primary school section, junior secondary school section, and the senior secondary school section according to the different ages of students.

At the news briefing, Central Propaganda Department Vice Minister Liu Yunshan said: Deng Xiaoping has stressed many times the need to strengthen patriotic education, and especially patriotic education for teenagers. Jiang Zemin also has often stressed the need to unswervingly give teenaged students a systematic education in China's modern history, contemporary history, and national conditions. The "Outline for Carrying Out Patriotic Education," published by the CPC Central Committee last year, pointed out once again that the focus of patriotic education is teenagers. Recommending 100 books on patriotic education to primary and secondary school students is an important measure to fulfill the spirit of the CPC Central Committee's instructions concerning patriotic education, and to implement the "Outline for Carrying Out Patriotic Education."

Liu Yunshan said: Reading not only helps a person increase his knowledge, widen his field of vision, and enrich his life, but more importantly, has a far-reaching influence on the formation of his world outlook and his philosophy of life. It is believed that the good books recommended this time will also influence and educate the new cross-century generation of socialist constructors and successors. He stressed: This year is the 50th anniversary of the victories in the antifascist war and the War of Resistance Against Japan. Schools of all types and at all levels should take full advantage of these important commemorative activities to carry out vivid patriotic education among vast numbers of teachers and staff members, and especially among teenaged students.

Xu Weicheng, executive deputy head of the CPC Central Propaganda Department, said in his speech that recommending the 100 books on patriotic education is just the beginning of the campaign. In order to reap practical results, it is necessary to unswervingly carry on with the reading campaign.

State Education Commission Vice Minister Liu Bin; Culture Vice Minister Liu Deyou; Press and Publications Administration Deputy Director Liang Heng; and Yuan Chunqing, secretary of the Secretariat of the Central Committee of the Chinese Youth League; also spoke at the meeting, expressing their views on how to make a success of the reading campaign among teenagers.

List of 100 Recommended Books

HK2806024995 Beijing RENMIN RIBAO in Chinese
24 May 95 p 5

["List of 100 Books Recommended for Patriotic Education Among Primary and Secondary Schools Throughout the Country"]

[FBIS Translated Text]

Primary School Section:

1. Stories of Revolutionary Leaders (by the 21st Century Publishing House)

The Story of Mao Zedong
The Story of Liu Shaoqi
The Story of Zhou Enlai
The Story of Zhu De

2. The Story of Song Qingling (by the Liaoning Children's Publishing House)

3. Lei Feng, the Good Son of the Laboring People (by the China Children's Publishing House)

4. Short Stories in the Modern History of China (books one and two) (by the China Children's Publishing House)

5. Stories of Chinese Patriotic Predecessors (Books 1-6) (by the Children's Publishing House)

6. Portraits of Famous Chinese Personages (five books on scientists) (by the Hebei Children's Publishing House)

7. Those Chinese Men of Strong Character (by the China Children's Publishing House)

8. Stories of the National Flag, the National Emblem, and the National Anthem (by the Liberation Army Press)

9. The Glorious Course of the Youth Pioneers (by Baihua Culture and Art Publishing House)

10. I Love the Five-Star Red Flag (by the Jieli Publishing House)

11. The Goodness of Youth (by the Haiyan Publishing House)

12. Poem Recitations for the Motherland — A Selection of Patriotic Poems in New China (by the Beijing Children's Publishing House)

13. Shooting on 1 August (the Children's Publishing House)

14. My Number-One Home (by the China Workers' Publishing House)

15. The Red Guerrilla (by the Children's Publishing House)

16. The 25,000-li Long March (by the Children's Publishing House)

17. The 2,000-li March (by the Children's Publishing House)

18. Zhang Ga, the Little Soldier (by the China Children's Publishing House)
19. The Team of Little Armed Workers (by the China Children's Publishing House)
20. The Railroad Guerrilla (by the Shanghai Culture and Art Publishing House)
21. The Team of Armed Workers in the Enemy's Rear (by the Liberation Army Culture and Art Press)
22. Gao Baoyu (by the Liberation Army Culture and Art Press)
23. The Days When Dad and I Were in Jail (by the Children's Publishing House)
24. The Three Decisive Campaigns (by the Children's Publishing House)
25. The Jiangsha River That Is Wearing a Hearty Smile (by the People's Literature Publishing House)
26. Wonders in China's Nature Reserves (by the Anhui Children's Publishing House)
 - Stories of the Animal Park
 - Wonders in the Forest
 - Enigmas About the Kingdom of Birds
27. The Four Important Inventions in Ancient China (by the Children's Publishing House)

Junior Secondary School Section:

1. The Footprints of Great Men — The Story of Mao Zedong (by the China Children's Publishing House)
2. The Son of the Land — The Story of Zhou Enlai (by the China Children's Publishing House)
3. Five Thousand Years (Books one to three) (by the Children's Publishing House)
4. Stories of Patriots in Ancient China (by the Shanghai People's Press)
5. Stories of Patriots in Modern China (by the Shanghai People's Press)
6. Stories of Patriots in Contemporary China (by the Shanghai People's Press)
7. Biographies of Outstanding Personalities of the Chinese Nation (2) (by the China Youth Publishing House)
8. Biographies of Outstanding Personalities of the Chinese Nation (8) (by the China Youth Publishing House)
9. Never Forget the National Humiliations (by the Haiyan Publishing House)
10. The Chinese Character (by the Haiyan Publishing House)
11. The Holy War of Resistance Against Aggression (by the China Children's Publishing House)
12. China's Centripetal Force — Overseas Chinese Aid in the War of Resistance Against Aggression (by the Guangxi Teachers' University Press)

13. Our Mother Is Called China (by the China Children's Publishing House)
14. Finding Our Way in 80 Years (by the Children's Publishing House)
15. Books on Patriotic Education (10 volumes) (by the China Youth Publishing House)

The Commemoration Day for 100 National Humiliations

- 100 Prominent Patriots
 - 100 Prominent Thinkers
 - 100 Patriotic Poems
 - 100 World Champions in Sports
 - 100 Chinese Inventions
 - 100 Major Places of Historical Interest and Scenic Beauty
 - 100 Difficult Issues for China's Takeoff
 - 100 Resources in China
 - 1,000 Famous Patriotic Sayings
16. Chinese Abroad (the Xiyuan Publishing House)
 17. The Motherland Amid Reform and Opening Up (by the China Heping Publishing House)
 18. Toward a New Century (by the Xiyuan Publishing House)
 19. Patriotic Poems and Songs Over the Generations (by the Red Flag Publishing House)
 20. A Selection of Mao Zedong's Poems (by the People's Literature Publishing House)
 21. Poems by Revolutionary Martyrs (by the China Youth Publishing House)
 22. A Sequel to Poems by Revolutionary Martyrs (by the China Youth Publishing House)
 23. 100 Patriotic Poems and Songs (by the Children's Publishing House)
 24. Forever I Belong to You, My Motherland — A Selection of Patriotic Poems in New China (by the Guangxi Teachers' University Press)
 25. Surrender All to the Party (by the China Workers' Publishing House)
 26. The Lovely China (by the People's Literature Publishing House)
 27. The Red Flag (by the China Youth Publishing House)
 28. The Red Ribbon Around the Earth (by the People's Literature Publishing House)
 29. Shots from the Plains (by the People's Literature Publishing House)
 30. Gold and Steel in a Raging Fire (by the China Youth Publishing House)
 31. Bitter Flowers (by the Liberation Army Culture and Art Publishing House)
 32. A New Story of Heroes and Heroines (by the People's Literature Publishing House)
 33. The Red Sun (by the China Youth Publishing House)

34. The Red Rock (by the China Youth Publishing House)
35. The Forest and the Snow-Covered Wilderness (by the People's Literature Publishing House)
36. Who Is the Loveliest? (by the People's Literature Publishing House)
37. Memories of the War To Resist U.S. Aggression and Aid Korea (by the Liberation Army Literature and Art Publishing House)
38. China's 100 World Number Ones (by the Liaoning Children's Publishing House)
39. Scientific and Technological Achievements in Ancient China (Revised Edition) (by the China Children's Publishing House)
40. The Science of Tomorrow (by the Children's Publishing House)
41. Invigorating China With Science and Technology (by the Xiyuan Publishing House)
42. China's Famous Mountains (by the Jiangsu Educational Publishing House)

The Senior Secondary School Section:

1. Here Comes Mao Zedong From China (the Liberation Army Press)
2. A Biography of Zhou Enlai (1898-1949) (by the People's Publishing House and the Central Literature Publishing House)
3. My Father, Deng Xiaoping (book one) (by the Central Literature Publishing House)
4. Stories in General Chinese History (books one, two, three) (by the China Children's Publishing House)
5. History and My Choice (by the Hangzhou University Press)
6. China's Road — From Mao Zedong to Deng Xiaoping (by the Guangdong Higher Education Press)
7. The Mystery of Shenzhen's Sphinx (by the Haitian Publishing House)
8. The Zhongshan Souls (by the Huawen Publishing House)
9. Forget Not This Episode of History (by the Sichuan People's Publishing House)
10. Communist Heroes Against Aggression (by the Liberation Army Press)
11. Atrocities Done by the Japanese Troops Invading China (by the Liberation Army Press)
12. Hong Kong: Yesterday, Today, and Tomorrow (by the Shaanxi People's Education Publishing House)
13. The Spread of Chinese Culture Abroad (by the Liaoning Educational Publishing House)
14. Foreigners' Outlook on China (by the Liaoning Educational Publishing House)
15. Foreigners' Views on China (by the China Children's Publishing House)

16. Guardians of China in the New Century (by the Jiangsu Children's Publishing House)
17. Quintessence of Patriotic Literature (by the Liaoning Educational Publishing House)
18. Songs of Ideal Sentiments — A Selection of Poems and Articles by Revolutionary Martyrs (by the Hubei Children's Publishing House)
19. Healthy Trends (by the People's Publishing House)
20. The Children of the Yan River — Yanan's Secondary School Students in Those Years (by the China Children's Publishing House)
21. Prominent Youths (by the Xiwang Publishing House)
22. The Struggle — Scientists' Ways to Success (by the Kepu Publishing House)
23. The Loud Shout (by the People's Literature Publishing House)
24. Songs of Youth (by the Beijing Publishing House)
25. A Bush Fire and a Spring Breeze Versus the Ancient City (by the People's Literature Publishing House)
26. Four Generations in a House (by the Beijing Publishing House)
27. Defend Yanan (by the People's Literature Publishing House)
28. A Sudden Gale (by the People's Literature Publishing House)
29. Population, Resources, and the Environment — The Three Major Problems Facing China (by the 21st Century Publishing House)
30. The World's Driving Forces (by the China Encyclopedia Press)
31. Scientific Discoveries (by the Shanghai People's Publishing House)

Commentator Stresses Reading Patriotic Books

HK2806025795 *Beijing RENMIN RIBAO in Chinese*
24 May 95 p 4

[Commentator's article: "Know Our China, Love Our China"]

[FBIS Translated Text] Reform, opening up, and the modernization demand a strong and lasting spiritual motivation that can effectively arouse the people's spirit and rally everyone in society. Patriotism is precisely this spiritual motivation.

Patriotism should begin among primary and secondary school students. In order to foster national self-esteem, self-confidence, and dignity among the younger generation, it is necessary to let them know how beautiful our mountains and lakes are, how ancient our history is, what a splendid and glorious cultural heritage we possess, and how many heroic people with lofty ideals we have had. Only when we know our China can we

love our China better. Loving and knowing are inseparable. The 100 books on patriotic education, jointly recommended by the Central Propaganda Department and other units, give children a very good opportunity to understand China's basic national conditions. They are an important measure to thoroughly implement the "Outline for Carrying Out Education in Patriotic Education."

The Chinese nation has an exceeding abundance of resources for patriotic education. From Confucius' argument that "one should assume responsibility for the whole world," to Gu Yanwu's statement that "even an ordinary person bears responsibility for the rise or fall of a country"; from Su Wu's tending sheep in Beihai, to Tan Sitong's execution in the marketplace; from Qi Jiguang's resisting Japanese pirates, to the all-people resistance against Japanese aggression under the leadership of communists; and from the poems of the Tang and Song dynasties, to the contemporary discoveries of archaeological and cultural relics — all can keep the greedy away from corruption, help the coward stand up, and encourage the hearer. For this reason, the recommended books give vivid and moving descriptions in many areas and aspects. It is believed that they surely will be welcomed by vast numbers of teenagers.

All sectors of the community should do more for the promotion and publicity of the 100 books on patriotic education. However, the reading campaign should insist on the principle of "reading of one's own accord," and should proceed in forms that interest and amuse primary and secondary students, such as story meetings, recitation meetings, speech contests, and book assessments. Only when teenagers love reading books can the knowledge, truths, and moral standards in the books possibly enter their minds and eventually change into the basis of their world outlook and philosophy of life. In recent years, relevant departments have launched the "National Red-Scarf Reading Campaign" and the "Read My Favorite Books" campaign, thus having accumulated many good extramural practical and effective experiences that can be further discussed and promoted in the current reading campaign.

70,000 College Students Now Party Members

*OW2706163195 Beijing XINHUA in English
1457 GMT 27 Jun 95*

[FBIS Transcribed Text] Beijing, June 27 (XINHUA) — China now has nearly 70,000 student Communist Party members in its more than 1,000 colleges and universities — 2.5 percent of the total of China's college students.

In 1990 China had some 16,000 student Communist Party members, 0.8 percent of the total number of college students at that time.

Chinese college students now have high political zeal, said an official from the State Education Commission. Many college students apply to join the Party every year, he said.

According to the official, students who join the Party in universities usually have high political consciousness and good academic performance. They are welcomed by units when they look for jobs after graduation.

Now student Party branches have been established in nearly all universities and colleges in the country. Some universities also have set up Party schools and Party constitution study groups.

Besides learning the theories of Marxism-Leninism, the history of the Chinese Communist Party and the theory of building socialism with Chinese characteristics, college students also engage in labor in factories and rural areas, said the official.

Jiang Chunyun Urges More Efforts on Flood Control

*OW2706171995 Beijing XINHUA in English
1548 GMT 27 Jun 95*

[FBIS Transcribed Text] Beijing, June 27 (XINHUA) — Chinese Vice-Premier Jiang Chunyun today urged local governments in the flooded areas in south and central China to make every effort to properly arrange the lives of the flood victims and resume production as soon as possible.

Since early this month rainstorms have flooded parts of central China's Hunan Province, east China's Jiangxi Province and several other provinces, causing considerable loss of life and property damage.

Speaking at a national conference on flood control which he chaired, Jiang also urged the leadership in the flooded areas to keep alert for possible bigger floods.

"Active anti-flood efforts are of great significance for a bumper harvest this year as well as for the sustained development of the national economy and social stability," said Jiang, who is also head of the State Flood and Drought Control Headquarters.

He noted that dykes and dams must be consolidated or repaired, and rivers and waterways dredged so as to lower the water level in the flooded areas.

Efforts must be made to secure the basic lives of the people in the flooded areas, Jiang emphasized.

While calling on people of the non-flooded areas to support the victims financially, the vice-premier also said that rice should be re-planted in places where conditions improve after the floods subside.

Governments at all levels must make sure that relief, such as grain, money, fertilizer and diesel oil, be made immediately available to flood victims, Jiang noted.

He also said that good deeds and brave fighters of the floods should be publicized and commended without delay.

In areas plagued by chronic drought, Jiang said, efforts must be made to guarantee the supply of drinking water for both people and domestic animals.

At Jiang's instructions, the State Flood Control Headquarters has sent five work teams to the flooded areas to coordinate the anti-flood work.

Beijing Police Patrols Help Maintain Social Order
OW2806082795 Beijing XINHUA in English
0659 GMT 28 Jun 95

[FBIS Transcribed Text] Beijing, June 28 (XINHUA) — Police patrols in the Chinese capital have captured 749 criminals since they were put on the beat in eight urban districts May 1.

At present, there are 2,144 policemen patrolling the regular beats in the downtown area, major streets, squares and tourist attractions, according to Wang Diandong, director of the police patrol squad.

The policemen have ferreted out 211 criminal cases, stopped 7,756 disputes, and seized and fined 173,350 regulation violators in the past 50-odd days, Wang said.

The numbers of criminal cases and violations of social order in the Chongwen District in downtown Beijing dropped 84.6 and 69 percent, respectively, compared with the same period of last year, he said.

The police also have aided 94,147 persons who needed help, such as accident victims, and lost children and old people. And 25 fires were put out by the patrolmen.

Citizens from all walks of life, totalling 261, have been invited to serve as supervisors over the patrol work.

Wang said that the number of patrolmen will be increased to more than 3,000 by the end of 1996, and the streets in urban districts are expected to be patrolled 24 hours a day.

Before Beijing started the patrol system in two urban districts on January 1, 1994, Shanghai, China's largest city, organized the first police patrol squad in the country in 1992, followed by some booming coastal cities soon after.

Some 2,000 policemen began patrolling the streets of Guangzhou, capital of south China's booming Guangdong Province, about one month ago.

Number of Cities To Reach 1003 by 2010
OW2706163095 Beijing XINHUA in English
1435 GMT 27 Jun 95

[FBIS Transcribed Text] Beijing, June 27 (XINHUA) — Chinese experts predicted that the number of cities in China will be increased from present 622 to 1,003 by the year 2010.

The total number of urban population will grow to 439 million, which was calculated on the predicted population of 1.3 billion at that time.

This was part of a report on the "Forecast and Layout of Newly-built Cities in China", which passed the state technical assessment in Beijing today. Fei Xiaotong, vice chairman of the Standing Committee of the National People's Congress, and 50 other experts of various fields attended today's meeting.

Addressing the meeting, Li Baoku, vice minister of Civil Affairs, said the Party Central Committee and the State Council have always attaching great importance to administrative division, which has proved to be the principle form of the country's administrative management and a component of power structure.

However, administrative division in China has long been blind, passive and casual as a result of lacking overall planning and rational distribution, Li said.

The aim of the report is to turn the situation around and frame up a medium-and long-term plan for the development of cities and townships on the basis of a scientific forecast, he added.

Participating experts described the report as scientific in method, sufficient in argument and reliable in conclusion. It tallies with the actual condition of China and has filled a gap in the forecast and layout of new cities.

Assuming 100,000 residents for each city, 102 new cities will be built between now and 2000, 17 cities for each of the next five and half years on average. The figure will rise to 279 between 2001 and 2010, 28 for each year, the report said.

In view of the uneven economic development in various parts of the country, the report proposed that emphasis should be put on the country's eastern coast in the near future (1995-2000). The emphasis will gradually be shifted to the central and western parts in the long term (2000-2010).

Meanwhile, the structure of administrative division will experience a radical change. The ratio of cities in the present combined number of cities and townships will soar to 42.6 percent from present 26.3 percent. The proportion of cities in the east, central and west China will account for 55.8 percent, 44.9 percent and 27.2 percent respectively.

CPA Exam Attracts 210,000 Applicants

*OW2706142995 Beijing XINHUA in English
1422 GMT 27 Jun 95*

[FBIS Transcribed Text] Beijing, June 27 (XINHUA) — A total of 213,425 people have applied to participate in the national CPA (certified public accountant) qualification examination this year, 1.87 times that of last year's figure, according to officials with the examination office under the Ministry of Finance.

Beijing took the lead with 20,433 applicants, followed by coastal Guangdong Province, Shanghai, and the provinces of Liaoning, Sichuan, Jiangsu and Shandong, where the number of applicants all exceeded 10,000.

The exam, scheduled to be held in September 15 to 17, also draws 1,795 overseas applicants, compared with 482 last year when the country first allowed overseas accountants to take part in the exam.

The overseas applicants are from Hong Kong, Macao, Taiwan, the United States, Britain, Japan, Malaysia and Singapore.

Last year, 88 overseas participants passed all four required courses, while 4,642 among the 110,000 domestic participants received qualification.

The 88 overseas accountants had got the non-practitioner membership of China Institution of CPAs (CICPA).

"Once the country opens the accounting market, those who have gained the CICPA membership will be the first to open business in China," said the Finance Ministry official.

***Communique on 1994 Educational Development**

*95CM0305A Beijing ZHONGGUO JIAOYU BAO
in Chinese 29 Mar 95 p 2*

[State Education Commission: "Statistical Communique on 1994 Educational Development"—issued 29 March 1995]

[FBIS Translated Text] In the field of education in 1994, China achieved further progress in every type and level of educational enterprises by following the central party guidelines of "seizing every opportunity, deepening reform, expanding opening up, promoting development

and maintaining stability," and fully implementing the spirit of the All-China Education Work Conference. According to statistics, the number of Chinese citizen receiving education totalled 277.4 million, an increase of 15.23 million from 1993; the net enrollment rate in primary schools was 98.4 percent, up 0.7 percent; the gross rates of enrollment in the higher grades were 73.8 percent in the junior high level, up 0.7 percent; 30.8 percent in the senior high level, up 2.4 percent; and 5.7 percent in the tertiary level, up 1 percent. The major problems in educational development were: Further sharpening of the contradiction of inadequate input into higher education development and management; a continued decline in the number of people enrolled in adult education and non-degree training; and rising attrition rates among secondary and primary school teachers.

Compulsory and Pre-School Education

Compulsory primary education scored new gains, with enrollment and retention rates both rising, the drop-out rate declining, the gap between boys and girls narrowing, and the ratio of pedagogically qualified teachers rising; however, the attrition rate of teachers also increased.

In 1994, China's primary schools numbered 682,600, a decrease of 14,100 from 1993; new enrollment totalled 25,370,300 students, an increase of 1,835,500; total enrollment was 128,226,200 students, an increase of 4,013,800; and a total of 18,995,900 students graduated, an increase of 580,800. The enrollment rate of primary school-age children (based on school-age regulations of various localities) was 98.4 percent (with a net enrollment rate of 98.7 percent among children ages 7-11), up 0.7 percent from 1993. The enrollment rates of boys and girls were 99.0 percent and 97.7 percent, up 0.5 percent and 0.9 percent respectively, while the gender discrepancy narrowed to 1.3 percent from 1.7 percent in 1993. The five-years-in-school retention rate among students in primary grades was 81.08 percent, up 2.25 percent from 1993. Among girl students, the five-year retention rate was 80.59 percent, up 2.16 percent. The primary school drop-out rate was 1.85 percent, down 0.42 percent. The drop-out rates among boys and girls were 1.93 percent and 1.75 percent respectively. In primary schools, the graduation rate was 86.59 percent, up 4.6 percent from 1993.

China's primary school teachers and staff numbered 6,271,400, an increase of 53,000 from 1993. In this category, full-time teachers totalled 5,611,300, an increase of 59,700. Teachers in community-run schools totalled 1,816,600, a drop of 113,100; these teachers constituted 32.3 percent of all teachers, down 2.5 percent from

1993. The ratio of pedagogically qualified teachers in primary schools was 86.59 percent, up 1.9 percent. The primary students-to-teacher ratio was 22.9:1, slightly higher than the 22.4:1 ratio in 1993. Attrition among primary school teachers reached 195,000 in 1994, 3.52 percent of all primary teachers, and up 0.85 percent from 1993.

Definite progress was made in compulsory education at the junior high level, with the enrollment rate and three-year retention rate both higher than those in 1993. The ratio of pedagogically qualified teachers was higher, but the attrition rate remained serious.

China's junior high schools numbered 69,600, down 343 from 1993. There were 68,100 standard junior high schools, down 299; and 1,538 vocational junior high schools, down 44. New enrollment in all junior high schools was 16,448,700 students, an increase of 1,392,800; standard junior high new enrollment was 16,163,600, an increase of 1,374,200; and vocational junior high new enrollment was 285,100, an increase of 18,600. The total enrollment in all junior high schools was 43,799,000 students, an increase of 2,414,700. Total standard junior high school enrollment was 43,168,600 students, an increase of 2,346,600; and total vocational junior high school enrollment were 630,500 students, an increase of 68,100. A total of 11,664,000 students graduated from junior high schools, an increase of 177,100 over 1993. The gross enrollment rate in junior high schools was 73.8 percent, up 0.7 percent from 1993. The three-year retention rate was 85.39 percent, up 2.71 percent. The overall drop-out rate was 5.1 percent, down 2 percent from 1993; for boys and girls, the drop-out rates were 5.8 percent and 4.3 percent respectively. The graduation rate among junior high students was 47.8 percent, up 3.7 percent from 1993.

In 1994, there were 2,722,300 full-time teachers in China, an increase of 81,400 over 1993. There were 2,686,900 teachers in standard junior high schools, an increase of 79,100; and 35,500 teachers in vocational junior high schools, an increase of 2,300. There were 199,800 teachers in community-run schools, a decrease of 24,900 from 1993. Teachers in community-run schools constituted 7.4 percent of all junior high teachers, down 1.2 percent from 1993.

The ratio of pedagogically qualified teachers in junior high schools was 63.84 percent, up 4.3 percent from 1993. The students-teacher ratio of 16.1:1 was slightly higher than the 1993 ratio of 15.7:1. Attrition among junior high teachers reached 141,000, 5.42 percent of all junior high teachers, and up 1.59 percent from 1993.

China's junior high and primary school buildings totaled 814,187,000 square meters (sq m), an increase of

28,577,000 sq m from 1993. Schools in dangerous disrepair totaled 16,648,000 sq m, and the unsafe buildings ratio of 2.04 percent was higher than the 1.95 percent in 1993. In terms of meeting standards in laboratory facilities for teaching sciences, teaching by sections, and library holdings and facilities, the proportions of junior high schools that met the standards in the three areas were 37.3 percent, 33.6 percent and 32.3 percent respectively; among primary schools, the proportions were 19.8 percent, 14.2 percent and 25.9 percent respectively; while these figures were considerably higher than those in 1993, the overall standards (in these areas) were relatively low.

Kindergarten education continued to develop steadily. China had 174,000 kindergartens in 1994, an increase of 9,460 over 1993; and total kindergarten enrollment (including pre-school classes) was 26,302,700 students, an increase of 777,300. The gross kindergarten enrollment rate among children ages three to five was 41.0 percent, up 4.9 percent. There were 930,000 kindergarten principals and teachers, up 3.57 percent. Among the teachers, 45.2 percent graduated from kindergarten training institutions, up 3.1 percent from 1993.

Special education developed rapidly. China had 1,241 special education schools, an increase of 118 from 1993; new enrollment of handicapped students totaled 39,800, an increase of 6,300 over 1993; the total enrollment was 211,400 students, an increase of 42,800. A total of 67,000 students enrolled in schools for the blind, deaf, and dumb; 29,100 were in schools for retarded children or in remedial classes; 115,300 were in special classes or served as monitors in standard schools. A total of 14,300 handicapped students graduated in 1994, an increase of 2,600 from 1993.

Senior High Education

China had 38,442 senior high-level schools (including standard and vocational senior high schools, vocational middle schools, apprenticeship schools, and adult high and vocational schools), with a total enrollment of 17,700,000 students. The gross enrollment rate in senior high-level schools was 30.8 percent, up 2.4 percent from 1993.

Various types of vocational middle schools and apprenticeship training schools developed further in 1994. Student enrollments in the vocational middle schools and apprenticeship training schools were 58.3 and 56.1 percent of all enrollments in higher-level schools, up 0.1 and 2.4 percent respectively over 1993.

The student body of standard high schools, after a number of years of decline, showed improvement for the first time in 1994: a lower student drop-out rate,

a higher proportion of graduates going on to college, a steady attrition rate among standard senior high teachers, but a rising ratio of pedagogically qualified teachers, and improving conditions in other aspects of school management. China had 14,200 standard senior high schools, down 138 from 1993; new enrollment totalled 2,433,900 students, an increase of 150,500; total enrollment was 6,648,000 students, an increase of 78,900; and a total of 2,093,000 students graduated in 1994. The student drop-out rate was 3.85 percent, down 2.14 percent from 1993.

There were 546,800 full-time senior high teachers, a decrease of 12,000 from 1993. The students-teacher ratio of 12.2:1 was somewhat higher than the 11.8:1 in 1993. The ratio of pedagogically qualified senior high teachers was 53.38 percent, up 2.29 percent from 1993. Among standard senior high schools, the proportions which qualified in terms of the standards of library and laboratory facilities were raised: 43.5 percent qualified in library facilities, up 2.36 percent; 46.09 percent in science laboratory facilities, up 3.5 percent; 44.3 percent in trial implementation of teaching by sections, up 3.94 percent; 47.35 percent in sq m of laboratory construction, up 3.36 percent; and 41.34 percent in sq m of athletic building construction, up 1.86 percent.

Vocational high schools developed further, although the ratio of pedagogically qualified full-time teachers was relatively low. China had 8,679 vocational senior high schools, an increase of 276 from 1993; new enrollment totalled 1,467,700 students, an increase of 118,900; total enrollment was 3,425,600 students, an increase of 362,100; and a total of 938,200 students graduated in 1994, an increase of 58,300.

There were 241,200 vocational high school full-time teachers, an increase of 12,600 from 1993. The pedagogically qualified ratio among them was 27.49 percent, up 1.49 percent.

Conditions for managing vocational schools improved. Among these schools, 25.35 percent of the schools met the sq m standards in laboratory construction, up 2.73 percent; 23.77 percent in construction of athletic field and facilities, up 1.24 percent; 21.39 percent in science laboratory facilities, up 2.74 percent; 20.6 percent in implementing teaching by sections, up 2.32 percent; and 26.51 percent in library collections, up 1.8 percent.

Vocational middle schools continued to grow in terms of new and total enrollments. There were 3,987 standard vocational middle schools, an increase of 23 from 1993; new enrollment totalled 1,225,400 students, an increase of 76,500; and total enrollment was 3,197,900 students, an increase of 377,600. In this category, technical middle schools had a new enrollment of 934,700

students, an increase of 69,300, and a total enrollment of 2,414,000 students, an increase of 315,700. Teacher training middle schools had a new enrollment of 290,700 students, an increase of 7,200, and a total enrollment of 783,900 students, an increase of 61,900.

There were 516,500 teachers and staff in the standard vocational middle schools, an increase of 5,200 over 1993. There were 247,000 full-time teachers, an increase of 7,300. The proportion of teachers qualified in subjects other than those they teach reached 62.11 percent, up 1.01 percent from 1993. The students-teacher ratio increased to 13.0:1 from the 11.8:1 in 1993. The ratio in technical middle schools increased to 12.9:1 from 11.6:1; and the ratio in teacher training middle schools rose to 13.1:1 from 12.4:1.

Apprenticeship training schools developed steadily. Nationwide, there were 4,430 such schools in 1994, a decrease of 47 from 1993; their new enrollment totalled 714,400 students, an increase of 50,900; their total enrollment was 1,870,900 students, an increase of 131,900; and a total of 556,800 students graduated in 1994. Teachers and staff in apprenticeship training schools numbered 340,100, an increase of 4,900; of this number, full-time teachers numbered 152,900, an increase of 2,600.

Adult high school education underwent retrenchment in 1994. China had 2,293 adult high schools, a decrease of 399 from 1993; their new enrollment totalled 283,600 students, a decrease of 37,000; their total enrollment was 348,600 students, a decrease of 41,200; and a total of 282,700 students graduated in 1994. In this category, there were 1,622 high schools for employed workers, a decrease of 414 from 1993; their new enrollment totalled 240,000 students, a decrease 20,000; their total enrollment was 290,000, a decrease of 30,000; and a total of 240,000 students graduated in 1994. There were 671 high schools for farmers, an increase of 15 over 1993; their new enrollment totalled 50,000 students, a decrease of 20,000; their total enrollment was 60,000, a decrease of 20,000; and a total of 50,000 students graduated in 1994.

Vocational middle schools for adults showed considerable growth. There were 4,811 of these schools, an increase of 28 from 1993; they had a new enrollment of 1,152,100 students, an increase of 295,400; a total enrollment of 2,638,100 students, an increase of 570,500; and graduated a total of 701,100 students in 1994.

Tertiary Education

Tertiary educational institutions and graduate studies continued to grow, with the scope of general studies

and specialized training expanding further and the effectiveness of school management raised.

China had 1,080 standard tertiary educational institutions, an increase of 15 over 1993. There were 627 colleges and universities, one more than in 1993; there were 453 tertiary specialized institutions and short-term vocational universities, an increase of 14. Among tertiary institutions, there were 198 enrolled students for doctorate degrees, 401 enrolled students for master's degrees, 645 enrolled students for bachelor degree programs, and 1,070 enrolled students for training in various specialties.

China had 720 institutions and organizations supporting graduate research students. Of these, 402 were tertiary institutions, and 318 were scientific and technological institutes. A total of 50,900 graduate and research students enrolled in these institutions in 1994, an increase of 8,700 over 1993. Of this number, 9,038 were doctoral candidates, 41,718 were master's degree candidates. The total enrollment was 127,900 students, an increase of 21,100 over 1993. Of the total enrollment, 22,660 were doctoral degree candidates, and 104,991 were master's degrees candidates. A total 28,000 graduates obtained their degrees in 1994.

Standard tertiary institutions had a new enrollment of 899,800 for general degree programs and specialized training, a decrease of 24,200 from 1993. The new enrollment of 409,600 students in general degree programs represented an increase of 5.98 percent; while the new enrollment of 490,200 students in specialized training showed a decrease of 8.8 percent. The ratio of general studies versus specialized training was 1:1.2 (compared to 1:1.39 in 1993). The total enrollment of general degree and specialized training students in tertiary institutions were 2,798,600, an increase of 263,100 over 1993; the total enrollment of students in general degree programs was 1,517,000, up 7.03 percent; and the total enrollment of students in specialized training was 1,281,700, up 14.62 percent. A total of 637,400 students in degree programs and specialized training graduated in 1994.

There were 1,040,300 teachers and staff in China's standard tertiary institutions, an increase of 19,000 over 1993. Full-time teaching staff numbered 396,400, an increase of 8,600. Among them, 28,300 were professors, 102,100 associate professors, 168,700 lecturers, 76,600 teaching assistants, and 20,700 instructors.

The student-professor ratio in the general tertiary institutions increased further from the 6.5:1 in 1993 to 7.1:1 in 1994. The average number of students enrolled per institution increased from 2,381 in 1993 to 2,591 in 1994, on average, an increase of 210 students per institution.

The average size of student bodies in institutions with general degree programs was 3,418, and in institutions for specialized training, 1,338.

In the standard tertiary institutions, buildings and grounds totalled 123,570,000 sq m, an increase of 9,110,000 sq m over 1993. Because of inadequate input due to large increases in the number of students, the per-student space dropped from 42.4 sq m in 1993 to 40.9 sq m in 1994. In terms of per-student availability of equipment and facilities, over 70 percent of institutions failed the required standards.

China had 1,172 adult tertiary institutions, a decrease of 11 from 1993. Of this number, 46 were radio-television universities, an increase of one; 703 were tertiary institutions for employed workers, a decrease of 11; four were tertiary institutions for farmers, a decrease of one; 170 were schools for cadre supervisors, an increase of one; 245 were teacher training institutions, a decrease of four; four were independently-run correspondence schools; while 836 standard tertiary institutions operated correspondence departments and night schools.

New enrollments in adult tertiary institutions increased by large margins, and the total student enrollment also increased. These institutions had a new enrollment of 1,017,000 students in general studies and specialized training (including general studies of radio-television universities), an increase of 154,300 over 1993. Of the newly enrolled, 86,600 were students in general studies, up 13.95 percent; and 930,700 were students in specialized training, up 18.32 percent. The total enrollment of both types of students was 2,352,000, an increase of 488,900 from 1993. The 227,900 students in general studies represented an increase of 25.8 percent, and the 2,124,100 students in specialized training an increase of 26.31 percent.

There were 210,000 teachers and staff in China's adult tertiary institutions, an increase of 5,300 over 1993. Of these, 94,900 were full-time instructors, an increase of 5,400; among them, 1,133 were professors, 19,071 associate professors, 44,676 lecturers, 24,512 teaching assistants, and 5,557 instructors.

School buildings in adult tertiary institutions had a total of 25,850,000 sq m, an increase of 2,910,000 sq m over 1993. In terms of per-student space, however, the 22.2 sq m in 1993 dropped to 21.2 sq m in 1994.

Adult Training Program and Literacy Education

Technical training programs at middle and primary schools developed rapidly, literacy education achieved its target for the year, and nondegree training in adult tertiary institutions has declined gradually each year.

There were 344,800 technical training schools for adults in China, an increase of 46,500. There were 12,400 technical training schools for employed workers, an increase of 2,603 over 1993, and 332,400 technical training schools for farmers, an increase of 43,900. A total of 66,253,800 person-subjects were trained. Of this number, training of employed workers totalled 5,926,100 person-subjects, and training of farmers totalled 60,327,700 person-subjects. At present, 47,578,300 persons are still in training; among whom 4,380,200 were employed workers and 43,198,100 farmers.

There were 379,400 teachers and staff in adult technical training schools, an increase of 58,900 over 1993. Of this number, 78,700 were teachers and staff in schools for employed workers and 301,000 in schools for farmers. There were 151,000 full-time teachers in these schools, an increase of 40,300 over 1993; of this number, 41,100 were teachers and staff in schools for employed workers and 109,900 in school for farmers.

Nondegree education in adult tertiary institutions was reduced at an average rate of 18.73 percent per year from 1991 to 1994. A total of 1,337,000 persons underwent various types of nondegree training in adult tertiary institutions, down 17.4 percent from 1993. Of this number, 145,700 were trained for certification, 997,900 for on-the-job training, 72,900 for post-university studies and 119,200 for other fields.

There were 51,300 adult primary schools, a decrease of 1,650 from 1993; new enrollment was 2,962,800 students, a decrease of 220,900; and total enrollment was 2,979,800 students, a decrease of 177,100. There were 51,400 teachers and staff, an increase of 14,800. Of this number, 19,500 were full-time teachers, an increase of 5,000.

Literacy schools (classes) had a total enrollment of 4,861,800, and achieved the government-set target of training 4 million illiterates in the 1990's. A total of 109,800 teachers and staff were engaged in literacy education, an increase of 17,900 over 1993. Of this number full-time teachers numbered 31,900, an increase of 5,900 compared to 1993.

*Article Views Social Control Policy

95CM0325A Beijing SIXIANG ZHENGZHI
GONGZUO YANJIU [RESEARCH IN

IDEOLOGICAL-POLITICAL WORK] in Chinese
8 May 95 No 5, pp 26-27

[Article by Yu Jun (0060 0193): "'One Hand Hard, One Hand Soft' Has Social Causes"]

[FBIS Translated Text] "Grasp firmly with both hands" is a concept Comrade Deng Xiaoping has adhered to unwaveringly throughout. It is a basic principle our party must follow from beginning to end in order to build socialism with Chinese characteristics. To replace "one hand hard, one hand soft" with "Grasp firmly with both hands", the CPC Central Committee has convened several meetings, issued a string of papers, set many clear-cut goals, and taken many important steps. In practice, however, all this has fallen short of our expectations, a development that has long plagued us.

Why is it that "one hand hard, one hand soft" has proved so enduring despite our efforts to get rid of it? Why have truth and the authority of the CPC Central Committee proved so inadequate in this instance? Clearly it is vitally important in practical terms for us to scientifically analyze and explain this social phenomenon and translate the principle of "grasp firmly with both hands" into reality.

I

People usually analyze the "one hand hard, one hand soft" approach from the perspective of work. In so doing, not only do they fail to solve this tricky equation, but they end up more vexed and bewildered. The harder one tries to untangle the knot, the more entangled it gets, and in my opinion, since "one hand hard, one hand soft" is a stubborn, longstanding, and all-embracing problem, it cannot be the result of the typical oft-cited, work-related factors alone. There must be deep-seated social causes at work. In other words, "one hand hard, one hand soft" has been caused by specific social mechanisms.

First of all, there is the social-interest regulating mechanism. China today is in transition from a traditional planned economy to a socialist market economy. The old planned economy has broken down, but it is still making its presence felt in some ways. The new socialist market economy is still in its infancy and remains highly immature, its functioning is erratic. Since they are existing side by side, these two mechanisms conflict with each other while leaving some gaps between them, not a real vacuum, but gaps where the sordid and feudal capitalist stuff from the West has been only too ready to rush in and fill. Interest relations among the state, the collective, and the individual, between individual sectors and the whole, and between the individual and society, are being regulated by a mix of what remains of

the planned economy, a less than perfect market mechanism, and feudal capitalist stuff. This has created loopholes ripe for exploitation by a bunch of corrupt and evil social phenomena, such as official profiteering, the sale of residency registration papers and labor quotas, the sale of official documents, drug trafficking and smuggling, prostitution, and crime syndicates. It is impossible to guard against them or get rid of them.

Next we can analyze it from the perspective of the microeconomy. The Chinese microeconomy nowadays is driven by group interests. To advance their own local economic interests, some areas are not above resorting to local protectionism. Some even play the deception game, and on the surface they appear to be cracking down on counterfeiting, fraud, kidnapping, smuggling, tax cheating, pornography, and prostitution. In reality, they are sheltering the perpetrators and giving them a haven. To lay their hands on raw materials of which there is an acute shortage or to sell their products, some enterprises have gotten "creative" in exploiting loopholes. As a result, the practices of throwing banquets, sending gifts, bribe-offering and taking, and lining one's pockets, have taken on a life of their own despite repeated attempts to outlaw them. Many a comrade looks askance at this phenomenon but is powerless to do anything about it. The reality is that if the enterprises do not resort to such tactics, they may not secure the raw materials they need, or they be may be stuck with a surfeit of inventories which would force them to suspend operations. All of this provides a favorable microeconomic climate for the proliferation of corruption and other sordid phenomena.

We can also analyze it from the perspective of the social supervision mechanism. The existing social supervision mechanism is passive, reactive, and ineffectual. For instance, it does not supervise the entire process but is merely after-the-fact supervision. It does not solve the problem at its root but is nothing more than a stop-gap measure. Under the existing mechanism, it is not a society supervising power, but a power alone supervising society. Worse, supervisory organs take a "why bother if the citizen does not complain" attitude. Consequently, only a tiny percentage of the cases to which all parties are willing parties are ever brought to light. Secure in the knowledge that they would not be caught, some law-breakers have gotten from bad to worse and remained safely beyond the long arm of the law for years. A number of major cases have been cracked in recent years which has succeeded in slowing the spread of corruption to some extent. Overall, however, the results have not been satisfactory. The weakening of the social supervision function means we have effectively given in to social corruption.

II

To emphasize the critical and fundamental impacts of social mechanisms on "one hand hard, one hand soft" is absolutely not a rejection of the work factor. On the contrary, although the root cause of the problem is social and not work-related, whether or not work is good can moderate or exacerbate the "one hand hard, one hand soft" approach. The chronic "one hand hard, one hand soft" phenomenon is related to some errors in our work.

One error is theoretical misunderstanding. Theory has been widely slighted in recent years, and theoretical studies, theoretical propaganda, and theoretical education have all been overlooked. People know little about scientific theory and misinterpret some important theoretical viewpoints. For instance, the two civilizations advance and depend on each other. This relationship, however, has been misinterpreted by some people as one of mutual exclusion. Others do not understand that modernization is all-round social progress but they see it as purely an economic movement. Yet others apply the "cat theory" to every situation like a formula, and they even draw the preposterous conclusion that "any method that can revitalize the economy and generate a profit is a good method." Theoretical misunderstanding inevitably leads to ill-considered actions. Using misunderstood theory as a guide for their behavior, many people adopt the "one hand hard, one hand soft" approach self-righteously.

We also have erred in the way we shape public opinion. In a nutshell, we have underplayed the main theme while playing up the peripheral, and thus unnecessarily confusing the philosophy of life, values, ethical position, and sense of right and wrong of the people. The simple-minded rejection of traditional values, traditional sense of morality, and traditional view of consumption, has fueled the flames of money-worship and ultra-individualism. Untruthful propaganda which suggests that "if you cut the number of political cadres by half, you will double output" has severely undermined the enthusiasm of political cadres and marred the social image of those involved in building the spiritual civilization. Propaganda aimed at shaping public opinion has slowly gotten onto the right track over the past two years; but the adverse effects of our misguided work earlier cannot be erased in a short period of time.

The third error is policy error. The party has essentially followed a correct policy since reform got under way and the open policy was introduced. Nevertheless, the detailed specific measures adopted by some sectors and localities militate against "tackling with two hard hands." Policies on personnel hiring and selection, for instance, tend to overlook political quality and ideolog-

ical standards, even dismissing as "minor" ideological and ethical issues. As a result, some people of a decidedly inferior ideological and political caliber have made their way into the ranks of cadres. If these people are not exactly models of spiritual civilization, legal construction, and the war on economic crime, how then can we expect them to put in a solid performance in their work? Moreover, the work evaluation and reward system tends to favor economic targets, the material civilization, and economic workers, at the expense of all-round quality, the spiritual civilization, and ideological and political workers. One gets the impression that one will receive no social recognition or compensation by pursuing the spiritual civilization and naturally loses enthusiasm for it.

Fourth is the misrepresentation of foreign experiences. It is a crucial part of China's reform and open policies to learn from advanced foreign experiences, including capitalism. However, what foreign experiences the overwhelming majority of people have, mostly come from the mass media and what they directly observe at the three kinds of enterprises, either wholly or partially foreign-funded. Since the mass media are not free from subjective consciousness and since those enterprises have their own limitations, the public often accepts as foreign experiences what is actually backward, negative, even distorted stuff. Some people, for instance, labor under the belief that foreign enterprises are beyond party leadership and ideological and political work, that their workers work for money, that their bosses manage with money, and the result is high profits. The money-is-everything theory is dignified as a foreign experience, and the trend toward diluting party leadership and weakening ideological and political work is presented as a transition to the foreign-funded enterprise model. The direct consequence of this kind of misrepresentation is to stick the "foreign experience" label on "one hand hard, one hand soft," thus rendering it even more deceptive and enduring.

III

The above analysis shows that at the root of "one hand hard, one hand soft" are deep-seated social reasons. The root-and-branch solution is to deepen reform and accelerate the creation of a socialist market economy, thus eradicating its social causes. It is unrealistic to lose sight of the phenomenon's social roots or to hope to end it by making more stringent demands on ideological and political work while overlooking the basic solution. On the other hand, we must not throw in our towel and quit just because the social mechanisms are a more fundamental cause of "one hand hard, one hand soft" than failures in ideological and political work.

The reason is that changing the social mechanisms which gave rise to "one hand hard, one hand soft" will take a long time. Meanwhile, if we fail to contain or minimize the problem (say, to socially tolerable limits) through effective work, and instead allow the corrupt and sordid phenomena to set the social tone, reform will be doomed, which will be disastrous for the country and cause enormous suffering to the people. When that comes to pass, it would be even harder to deal with the problem. Faced with this daunting task, which affects the whole picture and will help shape our destiny, ideological and political workers cannot afford to slacken one bit.

For starters, they must throw themselves into reform energetically. At this critical juncture when reform must be expedited and intensified, they must do a good job adjusting the public psychology, resolving contradictions, calming the public mood, and stabilizing the situation, thereby providing the effort to uproot "one hand hard, one hand soft" with a spiritual force, an ideological guarantee, and intellectual support.

Second, we must properly arm ourselves theoretically. Firmly arm the entire party and educate the masses with the theory of building socialism with Chinese characteristics. Help the cadres and masses master Deng Xiaoping's body of scientific theories. In particular, we must help party members and cadres, especially leading cadres, to study systematically so as not to overlook anything. Strive to develop an all-round understanding. Don't take a passage out of context. Grasp the essence of his theory comprehensively. Do not shift from one extreme to the next. Never stop enhancing one's initiative in "tackling with two hard hands."

Third, publicize advanced models. Review and publicize "grasp firmly with both hands" models in earnest. Review and publicize the advanced deeds of model figures who have given of themselves selflessly and are ready to take up the cudgels for a just cause, and those of party members and leading cadres who have the courage to reform and open up new territory, but who are also law-abiding and incorruptible.

Fourth, conscientiously organize all sorts of activities to build a spiritual civilization. The construction of a spiritual civilization must have its own vehicles and methods. Activities organized centrally by the authorities above, and effective methods developed through practice by those higher up, must be carefully put into effect and vigorously promoted. Build up minor victories into major ones. Through the imperceptible influence of quiet persuasion, improve the people's ideological quality and moral tone and enhance their ability to resist assorted corrupt thinking.

Fifth, set a personal example. Comrade Deng Xiaoping has a famous saying: "The key to constructing a spiritual civilization lies in setting a personal example." Ideological and political workers should take the lead in practicing the theories and ideas they preach. To make ideological and political work more trustworthy and authoritative, sometimes we need to be willing to sacrifice some personal interests.

Science & Technology

Jilin Bolsters 3 Major High-Tech Industries
OW2706132295 Beijing XINHUA in English
1155 GMT 27 Jun 95

[FBIS Transcribed Text] Changchun, June 27 (XINHUA) — Applied chemistry, bio-engineering, and life sciences, together with liquid crystals and auto electronics will become the three leading items in local high-tech industries in Jilin Province in northeast China, local sources say.

The Institute for Applied Chemistry has been operating well for one year, and two other institutes will be set up this year according to plans to aid in the latest technology and scientific development.

Jilin boasts the country's largest producers of chemical raw materials and automobiles, in the Jilin Chemical Industrial Company and the No.1 Automobile Group. By 1997, production capacity will reach 300,000 tons of ethylene and 300,000 cars.

To make full use of technical advantages, all three research centers plan to seek closer cooperation with business and higher-learning institutes, concentrating scientific and technological power in Jilin, sources say.

The research and higher learning institutes will assume the role of undertaking fundamental research and supplying necessary technology, while funding and research orientation will depend on the enterprises, a move aimed at the more rapid application of scientific results to industry.

With a definite target, the institutes for applied chemistry center on research into catalysis in ethylene projects, new engineering plastics and refined chemical products, as well as automobile batteries.

The life sciences and biological engineering program will exert great efforts to develop the foodstuff industry, including exploiting new raw materials, products, and technology, as well as developing new varieties of crops and cultivating new bio-medicines.

The institute of liquid crystals will devote itself to manufacturing 10-inch screens. It has plans to build

Changchun into the liquid crystal center of northern China, as a mainstay of automobile electronics products.

The development plan has received the support of the central government, and Jilin province will provide a series of favourable policies in funds, personnel, and information.

Sichuan To Build 1,000 Satellite Ground Stations
OW2506151395 Beijing XINHUA Domestic Service
in Chinese 2110 GMT 23 Jun 95

[FBIS Translated Text] Chengdu, 24 Jun (XINHUA) — Sichuan has started to carry out the "thousand townships television project." According to the project, a satellite ground receiving station will be built within two to three years in each of more than 1,000 townships in the province's minority nationalities, old revolutionary, frontier, and impoverished areas, to enable the masses of these areas to receive radio and television programs.

According to statistics, 75.4 percent and 80.5 percent of Sichuan's population, respectively, were able to receive radio and television programs in 1994, and a quarter of the population was still unable to receive both. More than 700 townships in Garze Zang Autonomous Prefecture and Aba Zang and Yang Autonomous Prefecture — both on the plateau in northwestern Sichuan — and in Liangshan Yi Autonomous Prefecture in the Xiaoliang mountain area, currently are still unable to receive radio and television programs.

Military & Public Security

Liu Huaqing on Preparing for 'Danger' During Peace

OW2706172195 Beijing XINHUA in English
1559 GMT 27 Jun 95

[FBIS Transcribed Text] Beijing, June 27 (XINHUA) — A Chinese army leader said here today that the world is still not calm, and people should be prepared for danger in times of peace.

Liu Huaqing, vice-chairman of the Central Military Commission, said that although the Second World War has been over for half a century, and peace and development have become the central themes of the time, "people should be prepared for danger in times of peace".

Liu, also a CPC Politburo Standing Committee member, made the remarks at a ceremony to mark the publication of the books "The Eighth Route Army" and "The New Fourth Route Army".

The two armies, together with other armed forces led by the CPC, were the hard core in the War of Resistance Against Japan (1937-1945), according to Liu.

"The Chinese Communist Party was the mainstay in the War of Resistance Against Japan," he stressed.

Liu said that the war, which changed the direction of history, was a turning point in the destiny of the Chinese nation.

He called on all the people to unit around the CPC Central Committee and the Central Military Commission with Jiang Zemin at the core, to implement the theory of building socialism with Chinese characteristics set forth by Deng Xiaoping as well as his theory of building the army in the new era, to reinforce the defense establishment and make new contributions to Chinese security as well as to world peace.

The publications are part of a series about the history of the People's Liberation Army, which was authorized by the Central Military Commission.

High-Tech Information Concepts of Future Warfare

'Information Warfare' Gaining Prominence

95CM0337A Beijing JIEFANGJUN BAO in Chinese
28 Mar 95 p 6

[Article by Niu Li (3662 0500), Tan Haitao (6223 3189 3447), and Liu Jianguo (0491 1696 0948): "Information Warfare Is Coming at Us"]

[FBIS Translated Text] After the Gulf War, with military critics from all countries differing in opinion about the reasons for the victory by the multinational force, the French defense minister said surprisingly that: "While the Gulf War was a great victory of men and material, it was most crucially a great victory of information, particularly information from the air and from space." An overview of the local wars that have occurred in the world most recently, and a perspective on the future based on their fleeting tracks, forces us to face the fact that information warfare is coming at us.

Information Warfare Has Become the Inevitable Trend of High-Tech War

In recent decades, among the crucial breakthroughs and advances made by mankind in the field of new and high technology, the most conspicuous are the developments in information technology. In the mid-1940s, the first information revolution, touched off by the advent of the computer, was the impetus for mankind to begin to move toward an information society. At present, in the second information revolution, symbolized by the "information superhighway" that is rapidly sweeping the world with a high-speed, large-capacity, and automated information network linking all places throughout the world, will raise information transmission capability a thousand fold, will bring a profound change to future

economic and social activity, and will touch off a new "worldwide military revolution."

Modern information technology grounded in microelectronic technology focused on computers, and including new technologies such as lasers, sensors, and artificial intelligence, is the technology that is having a crucial impact on warfare and military development. Its major impact will be weaponry computerization, combat command automation, combat force digitization, and the collection of combat action data.

The Major Features of High-Tech Information Warfare

Information warfare as a new form of combat development has changed the old order of relying for victory mainly on physical and technical skills, thus bringing a series of new features to warfare.

Information confrontation will become the focus of future battlefield operations. As information technology is more widely used, the operation of the whole war machine will become completely dependent on information sources. On the battlefield, as the majority of personnel under most conditions will be engaged mainly in information collection, transmission, and utilization, rivalry over the command of information control and usage will be the focus of battlefield confrontation. With information systems becoming the attack targets of first choice, new combat techniques, such as "information deterrence," "information sanctions," "surgical strikes", and "electronic dot-hole attacks", will emerge.

Information dominated weaponry will dominate the battlefield. At present, the armed forces of all countries throughout the world are not stinting on financial and material resources to "embed" all types of weaponry with large amounts of information technology, making information technology the dominant technology in all weapons systems. U.S. military data for recent years shows information technology and devices account for a growing ratio of total costs; or 35 percent for aircraft (55 percent for the B-2), 40 percent for ships, 45 percent for guided missiles, 65 percent for satellites, and 80 percent for command and control communications systems.

Control of information will become the primary target fought for by both sides in warfare. In past wars, the major objective was focused on destroying the enemy's effective might. But an overview of the local wars that have occurred in recent years shows that all major attack targets are essentially the key links of the enemy's information systems. While the focus used to be on "control of the sea," "air dominance," and even "control of space" in recent years, all of these reflected the inherent laws of war merely from a partial or particular

perspective, with only control of information reflecting the key features of high-tech warfare from an overall angle. Control of information has become "the primary target" fought over by both sides on the contemporary battlefield.

Thoughts on High-Tech Information Warfare

To occupy the high-tech commanding position, all countries throughout the world are engaged in a fierce competition to seize the information advantage. At present, it is not only the advanced nations that have drawn up information arms development strategies, speeding up their development of "digitized armies", and instituting "digitized battlefields," but even certain developing countries are also developing military information systems to raise their military information combat effectiveness. The choice of which countermeasure to meet the challenge is a crucial issue facing the People's Liberation Army [PLA].

We need an urgent awareness of information warfare. We need to establish the concepts that "information is combat effectiveness," that "command of information is the primary target of high-tech warfare," and that "information will become the key factor in the combat process and outcome"; to establish methods to win high-tech information wars a crucial subject of the PLA's military strategy and future military studies; and to strive to develop as soon as possible the correct countermeasures with distinctive PLA characteristics.

We need to cast a sharp sword to win information wars. Overseas armies hold that information weaponry is no less important than was the atomic bomb in World War II. So we need to give the same emphasis as we did at the time to our "two bombs and one satellite" in giving strategic status to our development of information weaponry. Premised on mostly self-development with an emphasis on efficiency, we need to persist in drawing up scientific development plans, and proceed from our national and military conditions to develop a military communications network and information weaponry [smart weapons] with distinctive Chinese characteristics. We need to choose the correct main line of attack; focus our limited financial resources on speeding up the development of "bottleneck" technology and projects crucial to PLA information weaponry modernization; and produce as quickly as possible a batch of information warfare "killer mace."

We need to optimize our information confrontation forces. The development of information [smart] weapons systems will bring change to military systems. We need to adapt to this change by setting up the best systems suited to information warfare needs. In our establishment system, we need to gradually expand our

ratios of information related arms and personnel; in our command system, we need to gradually set up a capable and efficient information systems command agency; in our information network establishment, we need to pay attention to better coordination between all systems.

We need to cultivate talent suited to information warfare. Proceeding with educational and teaching reform, all schools need to offer courses in information technology and information warfare. As to cadre training, all cadres at all levels need to endeavor to learn information technology and information warfare knowledge. In training reform, we need to add substance on information confrontation all the way from basic training to battle tactics drills. With military academic research, we need to make information warfare a key course in military theoretical study and provide theoretical guidance for training and combat.

With these new historic military changes already underway, history is going to favor those armed forces that are good at seizing opportunities.

Digitized Military Units

95CM0337B Beijing JIEFANGJUN BAO in Chinese
28 Mar 95 p 6

[Article by Yang Yulin (2799 5148 2651) and Wang Xueping (3769 7185 1627): "Once Digitized Military Units Appear..."]

[FBIS Translated Text] As integrated information processing technology is being used more extensively in the military arena, a brand new concept in combat forces—the digitized military unit—is quietly appearing. Digitized military units are equipped with digital communications systems, raising combat effectiveness through changing the traditional form of information delivery. Their appearance will bring many changes to future wars.

Combat Command Will Be More Flexible

Digitized military units will change the conventional form of information delivery, using data processing technologies such as digital coding, digital compression, and digital modulation and mediation to integrate battlefield information acquisition and delivery. As all combat units will be connected by information, the command form will change to command decentralization. With the use of digitized communications systems, commanders at all levels can see the true battlefield conditions at all times, directing troop actions in line with their superiors' motives and battlefield conditions. This will eliminate command dependency; specific command authority can start to be dispersed; and command

procedures can be streamlined. With digitized military units using an integrated air-land communications command network, they will have "transparent" information delivery to and from all areas. Commanders then can directly command certain combat units and even individual troop movements based on a "transparent" assessment of battlefield conditions. With digitized transceivers connected through single information channel carrier systems to all service command and control digital communications networks, commanders can communicate with all units simultaneously for lateral coordination with combat units (combat vehicles) dispersed in all directions and all places, and ensure that battlefield information is transmitted quickly both up and down.

Combat Coordination Will Tend To Be Simpler

The widespread application of digitized communications technology to the military will tend to make complicated combat coordination simpler. It will no longer be necessary for commanders to wrack their brains coordinating all service arms, arms platforms, and personnel with weapons. They can now give more energy to planning. As digitized technology can directly display orders on all weapons platform screens and combat troop sun-helmets, every fighter can use computers and the global positioning system to learn his accurate battlefield position. Meanwhile, digitized technology can be used for computer simulations of real battlefield conditions, thus making combat coordination more perfect and thorough. In addition, the "audio-imaging" of digitized communications networks makes temporary coordination very easy to organize. Superior commanders need only to issue information for all combat platforms to be coordinated in line with their intentions and to form the fastest combat effectiveness.

Combat Will Be Obviously Nonlinear

The combination of advanced intelligence systems with digitized technology will make both combatants' combat plans clear and transparent. This will allow commanders to use digitized transmission technology to direct combat troops closer in real time to attacks on enemy weakpoints, and with rapid mobility and the capture of battlefield information by land units making the digitized battlefield combat form obviously more nonlinear. 1) Combat space will be expanded. With crack troops constantly leaping beyond tactical limits, nonlinear combat will be instituted in a campaign and even on a strategic scale. With the battlefield not separated into frontlines and in-depth [supply lines], and with neither flanks or rear areas, the nonlinear combat scope will be obviously expanded. 2) Nonlinear combat will be more intensive. The improved mobility, coordination, and recognition capabilities of digitized military

units, will enable a number of combat units to simultaneously conduct nonlinear operations within a certain region, obviously increasing the regional intensity of combat. 3) Nonlinear combat will be faster. Digitized military units will gain the initiative through the fullest and fastest use of battlefield information and through accelerated nonlinear combat actions. The confrontational testing by the U.S. military in mid-April 1994 of digitized military units against conventional units proved that digitized units have faster mobility and are always in an advantageous battlefield state to win.

Combat Efficiency Will Be Unprecedentedly High

The integration by digitized units of battlefield information capture, transmission, and processing will change the traditional intelligence acquisition, command, and attack form, bringing potential combat effectiveness into optimal play. 1) With communications command adopting digital compression technology, the compressed audio (visual) frequencies will have the advantages of large amounts of information, signal regeneration, strong anti-jamming capability, and good security. It will make it hard for the other side to discover ones' operational motives, thus making it easy to achieve campaign and battle spontaneity. 2) Digitized equipment will raise battlefield transparency, with discovery and aiming at targets making their destruction certain, and higher hit rates making overall combat efficiency unprecedentedly high. 3) With digitized units in all service arms, arms systems will be intensively coordinated. In combat, when a certain combat unit needs troop or fire support, it can immediately transmit in digitized transmission form the specific positions of enemy targets, with supporting units receiving that information through digitized systems, and then immediately conducting fierce fire strikes against the enemy on demand.

Combat Security Will Be Much Easier and Quicker

The audio imaging of digitized unit communications technology will make difficult and complex combat security simpler. Frontline commanders will not have to concern themselves with combat material consumption, as digital monitors can warn them at any time about the specific material consumption of combat personnel. Commanders will be able to report to the pertinent sectors at the fastest speed, requesting civilian war service security. And the civilian war service sector can promptly and accurately reach combat units that need security to meet their combat needs. For instance, before equipment rush-repair and first-aid technicians arrive, digitized communications audio imaging technology can be used to transmit in pictures the vehicle damage and personnel injury conditions to the technical or medical sector, so that the security organs can exercise technical

guidance en route to their destinations. And when it is hard to promptly arrive at first-aid sites, technicians can use digitized communications technology to exercise remote guidance. As to knotty problems, frontline security organs can also promptly request instructions from rear area "experts," thus ensuring fast and effective battlefield rescue and rush-repair.

Air Force Joint Tactical Training Base Completed
HK2806103295 Beijing JIEFANGJUN BAO
in Chinese 13 Apr 95 p 1

[Report by Yuan Zhong (3293 1813), and reporter Hong Heping (3163 3735 1627): "Air Force Completes Joint Tactical Training Base, First of Its Kind, To Provide Simulated Battlefield Environment for Combat Exercises Between Various Arms of Service"]

[FBIS Translated Text] An air force joint tactical training base capable of organizing various types of aircraft and various arms of service, the first of its kind, has been completed and put into use by the Nanjing Military Region Air Force, thus enabling Air Force joint tactical training to enter a new stage.

A responsible person from a related department told reporters that the first campaign exercise with the Air Force that took place on the base involved the participation of around one dozen diverse types of aircraft, including fighters, assault aircraft, bombers, transports, and helicopters, as well as various arms including ground-to-air missiles, radar, antiaircraft, and airborne forces to conduct air-to-air, air-to-ground, and ground-to-air exercises, all using live equipment and ammunition.

This modern joint tactical training base was installed with airport and aircraft parking aprons, and various types of aircraft can conduct exercises using live ammunition. The instruments set on radar will show the effects of various live attacks on the aircraft and provide pilots with accurate figures. The positioning of antiaircraft forces, ground-to-air missiles, and tanks provide a lifelike battleground environment for confrontation maneuvers between various arms. Utilizing advanced electronic equipment, the command headquarters pursues effective command of joint exercises between various types of aircraft and arms. All observation posts are able to watch the effects of air-to-air, air-to-ground, and ground-to-air combat exercises.

This training base is like a fighting and killing field for modern warfare. Some training topics that would be impossible in the past due to limitations of the field can be conducted here. The Air Force organizes relevant units to come here for modern air-to-air combat exercises. For fighters there are air-to-air operations, air

blockades, and airborne support operational exercises; for bombers there are forced bombing exercises under conditions of electronic interference; for assault aircraft there is training in attacking unfamiliar targets. Ground combat conducts emergency garrison, high-intensity, diverse aircraft, and continuous deployment logistics guarantee. All this is implemented according to the procedures of wartime operational command, including attack, with cover as well as interference, confrontation, airlift, and ground motorized marches, all simulating actual combat.

The practice of diversified types of aircraft and arms entering the base for training simultaneously has strengthened the commanders' awareness of joint operations and improved the quality of tactical training. They have arranged training topics based on the requirements of modern air combat and given prominence to emergency recall and emergency motorized transfer, and giving impetus to joint training of missiles, radar, antiaircraft, telecommunications, and rear supply. An airmen joint command headquarters has been set up at the training base to train airmen commanders in implementing joint command over troops from diverse arms stationed in the same airport area.

Gansu Leaders Attend Military Day Activities
HK2806074195 Lanzhou Gansu People's Radio
Network in Mandarin 2300 GMT 10 Jun 95

[FBIS Translated Text] On the morning of 10 June, military marches were played and colorful banners were flying at the drill ground of the provincial armed police corps, located on the bank of the Huang He. Provincial party and government leaders, as well as comrades from various offices, bureaus, departments and commissions directly under the provincial authorities, participated in the Military Day activities here.

Sun Ying, deputy secretary of the provincial party committee, extended cordial regards and heartfelt thanks to the officers and men of the armed police corps on behalf of the provincial party committee, the people's congress, the government, and the Chinese People's Political Consultative Conference. Sun Ying fully affirmed the outstanding contributions of the armed police corps in fulfilling their duties and various tasks in dealing with contingencies. He said that having provincial leaders participate in the Military Day activities held by the armed police corps is a good opportunity for them to familiarize themselves with and understand the troops better, experience military life, and augment their sense of defense.

Li Ziqi, Ma Yuhai, Jamyang Losang Jigme Tubdain, Qoigyi Nyima, Hu Huie, Du Dashi, Li Dekui, and com-

rades from various offices, bureaus, departments, and commissions watched with great interest the report-back performance of seven items, including screening formation, flame throwing, firing, and barefisted throwing. They also actually participated in firing drill.

Correction on Zhang Wannian on PLA Training
OW2406012995

The following correction pertains to the item headlined "Zhang Wannian Urges PLA Training Reform," published in the 22 June China DAILY REPORT, page 27:

Column one, paragraph three, first sentence make read ...Central Military Commission [CMC] member and [People's Liberation... (changing "chairman" to "member")

General

Jiang Zemin Comments on State-Run Enterprises *OW2706124495 Beijing XINHUA in English* 1232 GMT 27 Jun 95

[FBIS Transcribed Text] Changchun, June 27 (XINHUA) — President Jiang Zemin said during an inspection tour of the three provinces of northeast China that the state-run enterprises can work miracles if they work hard with creativity and devotion.

From June 16 to 27 Jiang, who is also the general secretary of the Central Committee of the Communist Party of China and chairman of the Central Military Commission, visited more than 20 State-run enterprises in Liaoning, Heilongjiang and Jilin provinces, which are major industrial centers of the country.

While attending a symposium on state-run enterprises June 26, the president delivered an important speech titled, "Enhancing confidence, clarifying tasks and actively promoting the reform of state-run enterprises".

He pointed out that invigorating state-run enterprises, especially the large and medium-sized ones, is both a major economic issue concerning the overall development of the national economy and a political issue concerning the fate of the socialist cause.

"The whole Party, especially those in responsibility, should try to analyse the situation of the state-run enterprises in a correct and all-round manner, taking both their merits and problems into consideration", Jiang stressed.

Only by doing so can they enhance their determination and confidence in enlivening the state-run enterprises as well as in helping solve the problems facing these enterprises, Jiang noted.

During his inspection tour, Jiang also visited local units of the People's Liberation Army, People's Armed Police and ordinary police.

Jiang Zemin on State Firms in Northeast Provinces *OW2806045195 Beijing XINHUA Domestic Service* in Chinese 0830 GMT 27 Jun 95

[By RENMIN RIBAO reporter He Jiazheng (0149 0502 2973) and XINHUA reporter Zhang Shutang (1728 0647 1016)]

[FBIS Translated Text] Changchun, 27 Jun (XINHUA) — Jiang Zemin, CPC Central Committee General Secretary, state president, and Central Military Commission chairman, toured Liaoning, Heilongjiang, and Jilin provinces from 16 to 27 June to continue investigations and study on further advancing the reform and develop-

ment of state-owned enterprises, especially large and medium ones, and to listen to a wide range of opinions. He fully affirmed and spoke highly of the spirit of boldly exploring things and blazing new trails, advancing in the teeth of difficulties, waging hard struggles, taking overall interests into account, working selflessly for the public interest, making unremitting efforts to become stronger, and bringing credit to the nation as demonstrated by cadres and workers in state-owned enterprises during the course of reform and development. He said: If we adhere to and carry forward this commendable spirit, we can surmount all difficulties and work all kinds of miracles, giving rise to bright prospects for improving state-owned enterprises.

The three northeast provinces are our country's old industrial base where a number of representative state-owned large and medium enterprises are concentrated, as well as our country's important raw materials and heavy industry base. They have made major contributions to our country's economic development. In the current new situation arising from the establishment of a socialist market economic system, some state-owned enterprises face a considerable number of problems and difficulties. Leading cadres at all levels are leading workers and staff members in actively searching for solutions to these problems and difficulties through the deepening of reform. General Secretary Jiang Zemin continuously toured more than 20 state-owned enterprises in Shenyang city in Liaoning Province, Harbin and Mudanjiang cities in Heilongjiang Province, and Yanbian Autonomous Prefecture and Jilin and Changchun cities in Jilin Province. He also inspected forest zones in Heilongjiang and Jilin. He went to factories and workshops to mingle and have cordial conversations with workers and staff members to gain a thorough understanding of the state of reform and development in enterprises, especially state-owned large and medium ones, as well as various problems facing these enterprises.

On 26 June, Jiang Zemin chaired a forum in Changchun on state-owned large and medium enterprises in the three northeast provinces. He heard reports by comrades in charge of 12 enterprises regarding their ideas for and experiences in further improving state-owned enterprises, and delivered an important speech entitled "Enhancing Confidence, Setting Clear Tasks, and Actively Advancing the Reform of State-Owned Enterprises."

Jiang Zemin noted: Improving state-owned enterprises, especially large and medium ones, is a major economic issue of importance to overall national economic development, as well as a major political issue of importance to the destiny of the socialist cause. Comrades throughout the party, especially those who are in charge

of various levels of the party, must analyze the current state of state-owned enterprises in an all-around and correct manner. Besides fully recognizing the strengths and reform achievements of state-owned enterprises, and showing strong determination and confidence regarding the enterprises, they should squarely face and intensify their efforts to solve difficulties and problems that exist in these enterprises; work in a down-to-earth and unflagging manner to invigorate these enterprises; and strive to accomplish the important story has entrusted to us of reforming and developing these enterprises.

During his tour of the three northeast provinces, Jiang Zemin also visited local officers and men from the People's Liberation Army and People's Armed Police, as well as public security.

Accompanying General Secretary Jiang Zemin on his tour were comrades in charge of the three northeast provinces, the Shenyang Military Region, and relevant central departments.

Minister Reports to NPC on More Revenue

OW2806074895 Beijing XINHUA in English
0721 GMT 28 Jun 95

[FBIS Transcribed Text] Beijing, June 28 (XINHUA) — China reported a deficit of 57.4 billion yuan in 1994, 9.46 billion yuan less than the budget deficit.

This was revealed by China's Financial Minister Liu Zhongli in a report on the final state accounts for 1994 delivered at the ongoing 14th meeting of the National People's Congress (NPC) Standing Committee.

The country struck a basic balance between revenue and expenditure, with the latter a little bigger than the former. The total revenue stood at 521.8 billion yuan, fulfilling the budget by 109.6 percent, while the expenditure amounted to 579.2 billion yuan, surpassing the budget by 6.7 percent, Liu said.

In 1994 China had a deficit in the final budget totalling 66.7 billion yuan. In the final estimate, localities had a surplus of 9.2 billion yuan, which they retained for their own use in accordance with the existing financial system.

The state budget for 1994 was carried out efficiently. Financial sectors at all levels enhanced management of budget revenue and expenditure when dealing with problems arising from the implementation of the new system, he said.

Operation of the new finance and taxation system ensured a sustained and rapid growth of the national economy, and aroused the enthusiasm of both central and local governments. It also made it possible for

the state revenue to reach 86.9 billion yuan last year, following an increase of 86.5 billion yuan in 1993, he added.

Bank Researcher Confirms Zhu Rongji Resignation

HK2806081095 Hong Kong SOUTH CHINA
MORNING POST in English 28 Jun 95 p 1

[By staff reporters and agencies]

[FBIS Transcribed Text] Executive Vice-Premier Zhu Rongji is stepping down as Governor of the People's Bank of China next month, a sign that the economic czar has to share his powers with other rising leaders. Bank sources said yesterday this would not immediately change Beijing's tight monetary policy, but Mr Zhu's successor would face immense pressure to free up credit later this year. Other financial sources in the capital said a likely replacement for Mr Zhu, 66, was Vice-Governor Dai Xianglong, 51. The National People's Congress is expected to vote on the resignation and the appointment of his successor after July 1.

The People's Bank and the congress yesterday declined to comment. But a senior researcher at the bank's main think-tank the Institute of Finance, confirmed Mr Zhu would be stepping down soon. Political analysts in Beijing said Mr Zhu would keep his more important titles of Politburo Standing Committee member and Executive Vice-Premier. They said while Mr Zhu would remain the most important economic cadre, he would have to share power with the fast-rising proteges of President Jiang Zemin, such as the new Vice-Premier, Wu Bangguo.

In the spring, Mr Wu joined Mr Zhu as a Vice-Chief of the Central Committee's Leading Group on Finance and Economics, the nation's highest economic decision-making body. It is headed by Mr Jiang. One source said Mr Zhu had not been able to install his own proteges in top positions. The source said Mr Zhu had also been given the task of tackling economic problems such as hyper-inflation, falling grain yields and the runaway losses of state enterprises. In addition, Mr Zhu's main patron, Deng Xiaoping, is too sick to bail him out.

The former Shanghai mayor has also alienated many regional cadres, state entrepreneurs and army businessmen because of the tight monetary policy. But party sources said Mr Jiang still needed Mr Zhu's skills as an economic troubleshooter. They said the President had given him credit for bringing discipline to the banking and monetary sectors in 1993 and 1994, and cracking down on the spate of financial scandals.

"I don't expect monetary policy to be affected very much," said Joan Zheng, China economist with Baring

Securities Limited in Hong Kong. The analysts pointed out that pressure to soften the policy was overwhelming. "There's growing pressure over rising unemployment," said Chen Xingdong, chief economist for Crosby Securities Ltd in Beijing. "We're expecting looser credit in the third quarter."

NPC Vice Chairman Fei Xiaotong Inspects Guizhou
HK2806075095 Guiyang Guizhou People's Radio Network in Mandarin 2300 GMT 12 Jun 95

[FBIS Translated Excerpt] While Fei Xiaotong, vice chairman of the National People's Congress (NPC) Standing Committee and chairman of the Central Committee of China Democratic League, was making an inspection tour in our province, he pointed out: The crux of Guizhou's development lies in water resources utilization, transportation, and further strengthening nationality solidarity.

Vice Chairman Fei Xiaotong inspected our province on 8-12 June. After arriving in Guiyang on 8 June, he had cordial talks with our provincial leaders: Liu Fangren, Chen Shineng, Wang Chaowen, Long Zhiyi, Wang Siqi, Du Wenbin and Wang Demao. He said: I cherish a deep affection for the economy in areas inhabited by minority nationalities. Guizhou is a multinational province, and I am very glad to come here. Minority nationality areas are comparatively backward, and we must do everything possible to enrich them as early as possible.

Eighty-six-year-old Vice Chairman Fei Xiaotong, accompanied by Du Wenbin, vice chairman of the provincial People's Congress Standing Committee, and Wang Demao, vice chairman of the provincial Chinese People's Consultative Conference (CPPCC) and chairman of the Guizhou Provincial Branch of China Democratic League, inspected Bijie on 9 June. On his way to the city, he stopped over in Dafang County to visit the tomb of Madame Shexiang. He highly praised Madame Shexiang for constructing a post road to make contributions to promoting nationality solidarity and development in Guizhou. [passage omitted]

In Bijie, Vice Chairman Fei Xiaotong listened carefully to work reports presented by the Bijie Prefectural CPC Committee and Prefectural Commissioner's Office.

On the afternoon of 12 June, the provincial CPC committee, provincial people's congress and provincial CPPCC also submitted work reports to Vice Chairman Fei Xiaotong. Provincial party Secretary Liu Fangren presided over the report meeting. On behalf of the provincial CPC committee, government, and people's congress respectively, Governor Chen Shineng, deputy secretary of the provincial party committee, and Liu

Yulin, vice chairman of the provincial people's congress standing committee, presented their work reports.

Vice Chairman Fei Xiaotong stated that he would do his utmost to speed up the completion of a railway project linking Longchang in Sichuan with Huangtong of Guiyang. He stressed: Judging from both historical and present perspectives, the following three problems must be solved in order to develop Guizhou:

1. It is necessary to develop and utilize Guizhou's rich water resources well.
2. It is necessary to do construction, and the maintenance of railways and highways in Guizhou well so as to open up access to the sea in the south and a passage-way leading to the Chang Jiang in the north so as to promote the circulation of commodities and goods.
3. In the course of developing the economy, various nationalities in Guizhou must respect and help each other to promote their common well-being and prosperity.

In Guiyang, Vice Chairman Fei Xiaotong also cordially met with relevant comrades of the Guizhou Branch of the China Democratic League. Wu Xiuping, vice chairman of the Central Committee of the China Democratic League, accompanied Vice Chairman Fei Xiaotong to conduct the inspection tour.

Top Statistician Urges End to 'Deceptive' Statistics
OW2806101195 Beijing XINHUA in English 0836 GMT 28 Jun 95

[FBIS Transcribed Text] Beijing, June 28 (XINHUA) — China's top statistician called for joint efforts by all the Party and government bodies at various levels today to end deceptive practices in statistical work.

Such cheating in some localities and departments has affected the accuracy of statistics and brought difficulties for policy-making by the authorities, said Zhang Sai, director of the State Statistics Bureau, today.

He was reporting on the country's statistical work to the current session of the National People's Congress (NPC) Standing Committee, the country's top lawmaking body.

Since the Statistics Law was implemented in 1983, the country has been resorting to advanced technologies and the rule of law and many other measures to safeguard the accuracy of statistics, he said.

The state statistics bodies provide reliable data basically reflecting reality for the state's policy-making and management, he said.

However, because of loopholes in the statistical mechanism and lack of expertise among some statistics workers, cheating is somewhat a problem, he said. To make

matters worse, he noted, some local officials are ambitious to boast of their achievements and force officials at the next level to forge figures.

Through inspection by the central statistics bodies and the NPC special committees, it has been discovered that the industrial production values of township enterprises in many places have been exaggerated, and the number of rural births artificially lowered, according to Zhang.

The director assured the legislators that the volume of agricultural production, per-capita income of farmers, inflation rates and population census can be trusted, for the investigations are conducted by the SSB itself on a nationwide scale.

Zhang proposed that the accuracy of statistics should be linked to the rectification of the work style of the Communist Party and governments at all levels, saying that officials making false reports of statistics should be punished and denied promotion.

Continued efforts should be made to improve the legal system governing statistical work and upgrade the qualities of employees in the statistics sector, he said.

The country has been adopting international practices in its statistics work and reforming its former planned-economy mechanism.

National censuses are conducted periodically, frequent investigations through sampling are major tasks for statistics bureaus, and special investigations and scientific estimates are also conducted for certain major tasks facing the central government, according to Zhang.

An automatic system to process statistical data has been set up, and computers are now used in statistics departments above the county level.

Two special agencies set up with permission from the State Council to conduct social investigations in the cities and the countryside have been successful in providing a large amount of accurate data promptly for the central government, free from interference, he said.

A new agency of this kind will also be set up this year to collect data on the country's enterprises, Zhang disclosed.

CAAC Invites Outside Supervisors

OW2706163395 Beijing XINHUA in English
1453 GMT 27 Jun 95

[FBIS Transcribed Text] Beijing, June 27 (XINHUA) — The Civil Aviation Administration of China (CAAC) today invited 15 supervisors from the media, consumers' associations and government bodies dealing with quality control and tourism for further improvement of the quality of China's civil aviation service.

This is the fourth consecutive year CAAC has invited supervisors from society at large. They will inspect domestic airline services, along with 136 other inspectors from civil aviation departments.

An official with CAAC said the administration will focus its improvement of service quality on ground services this year, especially those in terminal buildings.

She added that CAAC will hand out questionnaires to 150,000 passengers to record their comments on ticketing service, and ground, air, cargo transport services. One section on the cards will allow aircrew to appraise airport facilities. Similar cards will be passed out among air transport specialists for their comments on airlines, airports and air traffic control departments.

Chang Jiang Group Develops Ocean Shipping Capacity

OW2806090195 Beijing XINHUA in English
0625 GMT 28 Jun 95

[FBIS Transcribed Text] Beijing, June 28 (XINHUA) — The Changjiang (Yangtze River) Shipping Group, a leading Chinese river navigation company, has expanded its ocean-going shipping capacity to 500,000 tons as part of its efforts to cope with the sluggish market on the Chang Jiang River, the longest in China.

Following the opening of the shipping market on the Chang Jiang River, competition has become fierce and sources of clients on the decline, thus forcing the group to resort to ocean routes, according to "Transportation News."

After years of effort, the group has set up ocean-going shipping companies all along the middle and lower reaches of the Chang Jiang as well as along the eastern and southern coasts, with 15 sailing international routes.

The Shanghai Changjiang Shipping Company, for example, has bought 13 ocean-going ships topping 200,000 dwt. With an annual shipping capacity reaching five million tons, it has established business ties with over 40 ports in seven countries.

The Nanjing Changjiang Oil Shipping Company, a subsidiary of the group, has opened routes to the United States, the Republic of Korea, Indonesia, Singapore and Malaysia.

Wuhu Holds Investment Promotion Fair in Shanghai

OW2806100795 Beijing XINHUA in English
0856 GMT 28 Jun 95

[FBIS Transcribed Text] Shanghai, June 28 (XINHUA) — Wuhu, a city on the upper reaches of the Chang

Jiang River in east China's Anhui Province, has held a successful three-day investment-promotion fair in Shanghai.

According to Cui Wenxiang, deputy mayor of Wuhu, the city signed co-operation contracts for over 115 projects in the first two days of the fair, which began June 26, involving a total investment of 12 billion yuan.

With a history of more than 2,000 years, Wuhu is a water and land transportation hub in east China and one of the five major ports on the Yangtze. It is famed for commerce and trade.

The city has now formed an export-oriented layout for development, with auto manufacturing, electronics and new building materials as pillar industries since it was approved as one of the open cities along the Chang Jiang in 1992. Last year it delivered goods worth more than one billion yuan for export and had 219 foreign-funded enterprises.

Cui said that some 300 businessmen from 15 countries and regions, including the United States, Germany and Hong Kong, attended the fair.

Of the contracts signed so far, 50 are for foreign-funded projects, involving a promised use of 790 million US dollars in foreign funds, said Cui.

Article Reviews Pudong Development

HK2506072495 Beijing RENMIN RIBAO in Chinese
19 Apr 95 pp 1, 4

[By staff reporter Li Qin (2621 0530): "Pudong, a Resplendent 'Twin-Bridge' Pattern—Record of Events on the Fifth Anniversary of the Development of Pudong"]

[FBIS Translated Text] This is a precious land which has slept soundly for years. For over 100 years, the Huangpu Jiang has separated the Pudong people from their city dreams. The mighty hand of reform and opening up pointed to this place in the 1990's. In the sweep of a hand, the land pointed at was turned to gold. With the "twin bridges" flying over the river, Pudong, situated at the crossing point of China's gold coast and gold waterway, was pushed to the front line of reform and openness in China. Pudong is creating an end-of-the-century miracle.

The Twin Bridges of Nanpu and Yangpu—a Leap From Small to Large-Scale Construction in Infrastructure

It has taken only five years for Pudong to gradually show to the people of the world the preliminary form of a modern cosmopolitan city.

The twin bridges of Nanpu and Yangpu, catching world attention, pass over the Huangpu Jiang and connect the two lands with the greatest vitality and potential in the Far East in the 1990's.

"You take a ferry to reach Shanghai but you take a step to get to the rural area." This old saying summarizes the scene in the 1980's when Pudong was still not developed. By the end of 1990, there were only two tunnels under the river, leaving pedestrians and vehicles crowding the ferries.

The Nanpu Bridge, the inscription of which was handwritten by comrade Deng Xiaoping, received one throng of pedestrians after another in 1991. Stepping onto the bridge and looking to the distance, the chief architect of China's reform and opening said with praise: Shanghai is so large that it is impractical not to build several huge bridges. He advised kind-heartedly and patiently: "As long as it is feasible to start building bridges at an early time, we should amass funds and start them at an early time. One year earlier means getting benefits one year earlier. Otherwise, they will be delayed until the next century." Just two years later, the grand tablet of another world-famous bridge towered over the Huangpu Jiang. The Yangpu Bridge, the "world's first" twin-tower, dual-cable plane, superimposed beam, stayed-cable bridge, was born!

If it can be said that the "twin bridges" flying over the river have shown Pudong's speed and grandeur. The three large urban overpasses—the Luoshan Road Overpass, the Longyang Road Overpass, and the Jinqiao Overpass—have made the over-a-century dream of Shanghai to have large urban overpasses come true.

After the 24.5 km-long Yanggao Road set a precedent as the first modern expressway in Pudong, the Pudong people built one road after another to form a new-generation urban highway system. The "massive campaign for building seven roads" in 1993 and the "five roads and one bridge" in 1994, were all completed in their respective starting years. By the end of 1994, a total of more than 200 km of urban high-speed roads had been newly constructed in Pudong.

Such speed and such aggressiveness have made the people of the world "rub their eyes and take a second look." Investors from 40 countries and regions such as the United States, Japan, Taiwan, and Hong Kong said one after the other with praise and admiration at a meeting: "Pudong is the fastest in the world in building infrastructure," "To transport cargo in Pudong, it is unnecessary to figure out time-costs, because the roads have freely moving traffic."

What Pudong has pursued is not only the quickest in speed, but the best in technology and the best in quality.

In Shanghai, an average of 200 roads are opened every day; in Pudong, urban roads are equipped with "zipper." On Pudong's Zhangyang Road, planned as the "No. 1 shopping mall in the Far East," a "shared ditch" has been constructed, so far the largest in scale in China and the first in the world for electric lines to be simultaneously constructed along both sides of the key road while the road was under construction. The urban sky, free from highwires, looks bright and beautiful.

Simultaneous with the web of roads serving as the urban framework, the urban power system has approached perfection by the day. The Waigaoqiao Power Plant, with a total generating capacity of 5 million kilowatts, and the phase-two project in the Pudong Gas Factory, with a daily output of 2 million cubic meters, have continuously provided light and heat for Pudong's development.

The demand for "completing a five-year task in three years" has been met in the waterworks, which can provide 500,000 tonnes of water each day, in the Waigaoqiao New Port Area, with an annual handling capacity of 2.4 million tons, in the telecommunications project, with a total exchange capacity of 350,000 telephones, and in the sewage treatment project, with a discharge capacity of 1.4 million cubic meters.

In the short span of several years, Pudong has covered the road of modern urban infrastructure expansion otherwise needing the continuous development of several generations. The people of Pudong look at these achievements simply as historical debts to be paid. The new round of "constructing the top 10 practical projects" will push Pudong and even the Chang Jiang Valley onto the expressway of internationalization and modernization.

The Pudong International Airport, in which as much as 2 billion yuan will be invested in the first phase, has entered the stage of field reconnaissance and survey. By the year 2000, when all four runways are built, domestic and foreign passengers, 60 million person-times each year, will have flown from Pudong to other parts of the world or vice versa, and, at the same, expanding the collecting and distributing space of finance, trade, and other economic energy to the whole world.

There is also the Waigaoqiao New Port for containers, which has as many as 50 deepwater berths; a modern telecommunications project, which includes Shanghai's second international satellite ground station and the Pudong international information port; a new round of cross-river projects, such as the subway; and express-

ways and high-speed railways. The three-dimensional accessibility by air, land, or sea, will bring Pudong a big step closer to all parts of China and the world in terms of time and space.

The Twin Bridges of Jinqiao and Waigaoqiao—A Leap From Low to High Urban Economic Functions

China cautiously opened a fishing village or two to Hong Kong and Macao in the early 1980's. Thanks to the "cheap price" of labor and land, a batch of labor-intensive processing enterprises were ushered in. Ten years later, a self-confident China has opened its breast wide: The precious land of Pudong has been opened to the world. Relying on the comprehensive strength of Shanghai, a super-large city, China intends to follow a new road where China's economy can be connected to the track of the world economy at a high starting point.

Where is the road?

Ask Jinqiao and Waigaoqiao.

Jinqiao: Through the "grafting of advantages," Jinqiao has taken a new road for developing modern business in China. The Jinqiao Export Processing Zone, situated at the center of Pudong, is the first to enter the season of harvest in Pudong.

The Pudong Jinqiao Export Processing Zone is famous at home and abroad, not only for its 600,000 square meters of beautifully built factory groups, but also for the fact that it has created several "firsts in China." By the end of 1994, a total of \$3.3 billion had been invested in 251 projects in the zone, most of which were invested by transnational corporations and large or medium-sized enterprises. At 30 times the national average, the investment in each project averaged \$13 million, ranking first among all development zones in China.

Compared with the 52 "new high-tech" development zones all over China, the Jinqiao Export Processing Zone, which is not named a "high and new technology" zone, has taken a distant lead in terms of both the percentage of high and new-technology industries and in the capability of the production scale. It has become a swiftly rising park for "sunrise industries." Nine of the 11 fields of high and new-technology development which the state encourages have taken up residence in Jinqiao. Among them, the telecommunications equipment, fine chemical industry, computer and mechanical-electronic integrated systems, biomedical industry, high and medium-grade household electrical appliances, and other industries have yielded the effect of technological advancement and scale production. The industrial output value in the Jinqiao Export Processing Zone in 1994

reached as high as 5 billion yuan, of which 3.75 billion yuan was created by high and new technology.

Why is Jinqiao so splendid? It is exactly from the effect of "grafting the advantages." It has utilized the advantages of China's central economic city, such as industrial basis, scientists and technicians, and the quality of the population to attract the comprehensive advantages of economically developed countries and regions, transnational corporations, and corporate groups, and "grafted" the two advantages onto each other, "making a nest to attract the phoenix." Thus, the enterprising Jinqiao Export Processing Zone has jumped over the stage of developing labor-intensive processing industries and has created the newest way to develop modern businesses in China.

With an investment of \$55 million, the Shanghai Hitachi Electronics Co., Ltd. started construction at the beginning of 1993 and finished it at the end of that year, creating a miracle of "starting construction, completing construction, and starting production all in the same year." In less than one year thereafter, it created an output value 300 million yuan. The Japanese investor, surprised at such a high speed and such significant efficiency, noted: "Never has so good an achievement been made by any other firm invested in by Hitachi abroad." Since "the scenery is exclusively good here," transnational corporations are coming one after another. Twenty-two world-famous transnational firms, such as Belgium's Bell Corporation, Switzerland's Schindler, America's Johnson & Johnson and Ford, Germany's Siemens, Philips of the Netherlands, and Sharp of Japan have all gone into Jinqiao and invested heavily, with an average of \$900 invested per square meter of land. Modern factory buildings, with a floor space of several hundred thousand square meters, have been built one after another.

Relying on their original bases, large and medium state enterprises have made use of the strong power of transnational firms to jump to a new level in terms of mechanism, product, technology, and equipment, yielding faster results and bigger economic returns and calling for smaller investments. The state assets have swiftly increased in value. According to statistics, over 90 percent of Jinqiao's total industrial output value has been created by large and medium-sized enterprises.

What shares radiance and beauty with Jinqiao is the Zhangjiang New High-Technology Park, a rising star in Pudong. This place cannot be found on the map of Shanghai published two years ago. Nowadays, over 20 domestic or foreign high-tech projects have been signed here, and eight of them, such as pharmaceutical project by Switzerland's Roche Corporation and the magnetron

and microwave oven projects of Panasonic, have started construction in the park. A "biopharmaceutical valley" is being created here. Of the 11 projects with biogenetic drugs as the focus of development in Shanghai, eight have settled down in the park.

A high-tech incubating base is beginning to arise. Twenty huge projects were imported in 1994, with an average of nearly 100 million yuan invested in each project. A batch of industries in new high technology have entered the stage of research and development, design pilots (she ji zhong shi 6080 6060 0022 6107), and production and operation.

For Pudong's development before 1995, watch Jinqiao; after 1995, watch Waigaoqiao.

The Waigaoqiao Bonded Zone is called the eye of Pudong by some people. If the eye has vigor, the five key organs of the human body will all have vigor. If Waigaoqiao is vigorous, what will be vigorous is not only Pudong but also Shanghai, the Chang Jiang Delta, and even the Chang Jiang Valley.

The setting up of China's first bonded zone "inside the border but outside the customs" was announced in a shabby two-story building on the estuary of the Chang Jiang in September 1990. The people attending the ceremony got out of their cars at a distance, making their way through the weedy rambling country paths. Who could possibly have anticipated such a momentous change to have occurred here in a few years?

The two square km enclosed as the bonded area in the first phase was accepted by the General Administration of Customs in 1993. The enclosed area was swiftly expanded to 5.5 square km by November 1994. At present, there is a total construction area of more than 7 million square meters for all the projects which have, are being, or will be constructed within the area. By March 1995, there were a total of 1,552 projects in the area, with a total investment of \$2.594 billion, \$1.813 billion of which, accounting for 70 percent of the total, was invested by foreigners in 998 projects.

The Waigaoqiao New Port Area, a key state project executed during the Eighth Five-Year Plan period, was formally completed and put into operation on 30 October 1993. Several months later, the port received a large Japanese ship loaded with containers, ending that part of history in Pudong where no ocean-going container vessel had ever been loaded or unloaded.

With bright eyes taking a sharp look, and with basic development switching to functional development, the Chang Jiang began to open its eyes. The Shanghai Bonded Market for Production Materials started its trial

operation in November 1993. Thousands of commodities in 10 categories, such as materials for construction, upholstery, modern office items, and automobiles, moved onto or out of the market, and more than 900 enterprises from over 40 countries and regions are very active there. By 1994, a total of \$647 million worth of imported and exported goods had been traded in the market. The managers of trading firms in Shanghai and other places said with a smile that an international market had been moved to the their house gates.

Looking back with a smile, Pudong is presenting a hundred of her charms. The functional development of Waigaoqiao is attracting the attention of the 6,300 km-long Chang Jiang. Economic figures from the Chang Jiang Valley show that the combination of the port and the zone, the construction of the deep-water port for container vessels, and the further improvement of free trade policies will promote the advancement of free trade and free shipment functions, so that the capability for imports, exports, and transit trade could all be raised tenfold or even a hundredfold.

This is exactly Waigaoqiao's "effect of universal trigger," namely, the effect of interrelationships and the coordinated motion of various economic energies and regional functions.

The Lujiazui Finance and Trade Zone, set in coordinated motion with the Waigaoqiao Bonded Zone, is called the other eye of Pudong.

On the map, Pudong looks like the profile of a beautiful lady, and Lujiazui sits exactly as her "eye," looking across the Huangpu Jiang at distant building after building in classic European style in the old banking district of the Bund. However, the outline of a modern banking center is being built in the new Bund here in Pudong, with the Dongfang Pearl Television Tower as its symbol. So far, foreign firms have invested more than \$2 billion here. And domestic projects also have correspondingly invested over 21 billion yuan.

With more than 4.4 million square meters of floor space under construction and over 80 financial and commercial buildings climbing higher and higher and topping out, 100 buildings will have been put into use by the year 2000. Hundreds of banks, securities firms, trading groups, and transnational corporations will assemble themselves here like clouds floating together.

The rise of Jinqiao and Waigaoqiao predicts that the modern economy of Pudong is realizing its leap from a high starting point; it is passing over duplicate imports at lower levels, passing over the stage of economic development supported by traditional industries, and

is striding onto a new stage, where urban economic functions are being upgraded.

By the end of March 1993, the total outstanding deposits and loans had reached more than 93 billion yuan in the banks of Pudong, which is over ten times the figure in 1990. The amount of underwriting fees for various kinds of insurance reached as high as more than 566 billion yuan, which was also over ten times the figure in 1990. The "universal trigger effect" was born from the banking industry, promoting the development of domestic trade, foreign trade, and modern industry. Over 40,000 production and trading enterprises have prospered, and their total domestic production output value has increased rapidly, by 30 percent or so each year.

Waigaoqiao and Lujiazui are the "banking and trading bridges" through which the world enters China and China integrates itself into the world. Jinqiao and Zhangjiang are the "technological and industrial bridges" where China and the world meet. The "two bridges" have promoted the mutual permeation and integration between the production sectors, trading sectors, and banking sectors. It has also promoted the integration of the Chang Jiang Valley economy into the world economy in terms of development.

The Twin Bridges of Reform and Opening Up—A Leap From the Old to the New Urban Development Mechanism

After looking at a broad view at home and abroad, China has opted for Pudong as the "dragon head" of reform, and the world also has begun to realize the value of Pudong's reform and opening up.

On 1 January 1993, Shanghai municipal leaders stripped the red silk off the board of the Administrative Committee for the Pudong New District on Pudong Road where pile-drivers were pounding. At the convention of the Shanghai Municipal People's Congress held in the spring of 1993, Zhao Qizheng, a vice mayor of Shanghai and director of the Administrative Committee for the Pudong New District, spoke about the function of government in three sentences: Significant matters which should be managed will be well managed, what may or may not be managed will be managed through intermediate organizations, and what should not be managed will not be managed at all.

From the moment it was established, the Administrative Committee for the Pudong New District took the mode of "small-scale government over large society." By "demolishing temples and removing the statues of Buddha," government organs covering tens of administrative aspects were combined into 10 comprehensive

departments. There are only 800 government officials in Pudong, a region with an area of 520 square km, while there are over 1,200 government officials in the district west of the Huangpu Jiang, an area of merely several square km. The new district government would no longer be a "nanny". Since their birth, enterprises in Pudong have had no supervisors, so enterprises enjoyed the right to operate their businesses with great autonomy. What was the government supposed to manage? In terms of the economy, it manages planning, financial administration, and other indirect regulation and control and, in terms of social development, manages public investment conduct and coordinates the interests of various parties.

The reform of state assets has also stepped onto a new road. The Pudong State Assets Management Company has introduced one new idea after another: becoming shareholders of Xinjinjiang Company, Wangqiao Development Company, and Huaxia Development Company; managing mutual shareholding between Jinqiao Development Company and Xinghuo Company; investing in Shuili Shipping Company by means of allowing the company to use its land, so that without even spending one fen of state money, the Pudong government has completed the first-phase project of the Pudong ring canal, called the "clean water verandah" of Pudong. In the course of circulation, state assets have swiftly increased in value. A summary of the eight state companies, including Lujiazui, Jinqiao, Zhangjiang, Land Share-Controlling, and Waigaoqiao shows that state assets increased in value by 1 billion yuan last year alone. With investment introduced from various directions and financial resources extensively opened, Pudong has formed a mechanism to raise funds in diverse ways, such as getting loans from banks, issuing bonds and stocks, collecting land payment, obtaining overseas financing through BOT [build-operate-transfer] and funds, undertaking financial investment, getting funds through cooperation with the hinterland area, and allowing direct investment by foreign-owned enterprises.

When the directors of policy study offices in some provinces and municipalities in southern China came to Pudong, they discovered, to their surprise, that some reform ideas still being discussed in theoretical circles had become reality in Pudong. In particular, Pudong had established the mechanism of indirect governmental regulation and control, the mechanism for preserving and increasing the value of state assets, the mechanism of developing land by means of rollovers, and the mechanism of raising funds and attracting investment by diverse means, which all passed over the mode of development in the 1980's and therefore have been of exemplary significance to urban development and the

cultivation of the socialist market economy for cities all over China.

The "dragon head" of reform has become an accelerator of economic development in the Chang Jiang Valley. Since 1992, five major economic coordinated zones have been formed in coastal provinces, with Shanghai as the "dragon head," and Nanjing, Wuhan, Chongqing and the Chang Jiang Delta as the links so as to conduct comprehensive cooperation in 10 major fields, such as banking, trade, science and technology, transportation, and industrial distribution. There are as many as 5,000 cooperative projects. In answer to the call of Pudong, various provinces have established more than 3,000 enterprises in Pudong.

Reform and opening up has greatly liberated the productive forces. The total gross domestic output of the Pudong New District reached 29.12 billion yuan in 1994, which is a 28.6 percent increase over the previous year, 14.3 percentage points higher than the average of Shanghai municipality, and 1.57 times the increase over 1990, when the development of Pudong started. The per-capita gross domestic product of Pudong is as high as 20,000 yuan, which is over 4,000 yuan higher than the average in Shanghai.

Many foreign firms and much foreign investment have entered Pudong, and a batch of famous transnational companies have established organizations in Pudong. The introduction of foreign professional resources has made Pudong's economic structure, industrial and economic relationship interconnected to the world.

With reform and opening up serving as a bridge of motive force, urban construction as a bridge of foundation, and finance, trade, and new high technology as a bridge of the economy, Pudong has become a resplendent bridge of the century, connecting China to the world.

When deliberating the government work report with the Shanghai delegation to the National People's Congress on 8 March 1995, State President Jiang Zemin fully affirmed the achievements of Pudong's development over the past five years. He also emphasized: "The basic policies of the party Central Committee and the State Council on developing Pudong will remain unchanged, and the aim and determination of developing Pudong into the 'dragon's head' of development along the Chang Jiang will remain unchanged."

This is a solemn proclamation by the Chinese Government. It is the will and determination of the Chinese people.

With spring winds blowing everywhere, Pudong stands at the starting point of a new historical epoch.

China is expectant of Pudong, and the world is casting its eyes on Pudong.

Foreign Trade & Investment

Provisional Regulations on Foreign Investment

OW2706152995 Beijing XINHUA Domestic Service
in Chinese 0929 GMT 27 Jun 95

[FBIS Translated Text] Beijing, 27 Jun (XINHUA) —
Provisional Regulations on Guiding Foreign Investment

Article 1. These regulations are formulated in order to provide guidance for foreign investment, direct foreign investment toward sectors which suit China's national economic and social development plan, and protect the lawful rights and interests of investors in accordance with relevant state laws governing foreign investment and the requirements of state industrial policy.

Article 2. These regulations will be applicable to Sino-foreign joint ventures, Sino-foreign cooperative ventures, wholly foreign-owned enterprises, and other forms of foreign investment projects within Chinese territories (hereinafter "foreign investment items").

Article 3. The State Planning Commission will coordinate with concerned departments of the State Council to periodically compile and appropriately revise the "guiding industrial categories for foreign investment" according to these regulations and the situation of state economic and technological development, which will be announced with the approval of the State Council.

"Guiding industrial categories for foreign investment" will be used as a basis for guiding the review and approval of foreign investment items.

Article 4. Foreign investment items will be divided into four categories, namely encouraged, permitted, restricted, and prohibited categories.

Foreign investment items fall under encouraged, restricted, and prohibited categories will be included in the "guiding industrial categories for foreign investment." Foreign investment items which do not fall under the encouraged, restricted, and prohibited categories are under the permitted categories. Foreign investment items under the permitted categories will not be included in the "guiding industrial categories for foreign investment."

The "guiding industrial categories for foreign investment" may list items which will not be permitted for wholly foreign-owned operations and also may list items in which the state role must be that of the major shareholder or controlling interest.

Article 5. Foreign investment items fall under one of the following conditions will be included in the encouraged category for foreign investment:

(1) Investment items related to agricultural new technologies, comprehensive development of agriculture, and the building of energy sources, communications, and important raw materials industry;

(2) Investment items related to new and high technologies, advanced technologies, and new equipment and materials which can improve the quality of products, conserve energy and raw materials, raise technological and economic efficiency of enterprises, or can manufacture products to alleviate the shortage of such products in the domestic market;

(3) Investment items which can meet the needs of the international market, raise the grade and quality of products, open up new markets, or expand and increase exports;

(4) Investment items which are related to comprehensive use of resources, reuse of resources, and new technologies and equipment for environmental protection;

(5) Investment items which can give full play to the advantage of manpower and natural resources in central and western regions in line with state industrial policies; and

(6) Other investment items which are encouraged by state laws and administrative statutes.

Article 6. Foreign investment items falling under one of the following conditions will be included in the limited categories for foreign investment:

(1) Projects which have been developed domestically, projects the technology of which has been imported, and projects the production capacity of which can meet domestic market demand;

(2) Trades in which the state is still experimenting with utilizing foreign investment in sectors where a state monopoly still exists;

(3) Projects involving the prospecting and exploitation of rare and valuable mineral resources;

(4) Trades that must be put under the overall plan of the state;

(5) Other projects restricted by state laws and administrative regulations.

In accordance with the state industrial policy and the need for macroeconomic control, restricted foreign investment projects are divided into categories (A) and (B).

Article 7. The following foreign investment projects are prohibited foreign investment projects:

- (1) Projects that endanger state security or harm social and public interest;
- (2) Projects that pollute and damage the environment, destroy natural resources, or harm people's health;
- (3) Projects that use up large tracts of farmland, that are not beneficial to the protection and development of land resources, or that endanger the security and the effective use of military facilities;
- (4) Projects that manufacture products by applying China's special industrial arts or technology; and
- (5) Other projects that are prohibited by state laws and administrative regulations.

No companies, enterprises, other economic organizations, or individuals are permitted to run foreign investment projects stipulated in the preceding paragraphs.

Article 8. Encouraged foreign investment projects shall enjoy preferential treatment in accordance with relevant state laws and administrative regulations. In addition, big investment projects with a long recovery period involving the construction and operation of energy, transportation, and infrastructural facilities (coal, electric power, local railways, roads, and ports) may expand their operations related to their line once permission is approved.

Article 9. Restricted category foreign investment projects must observe the relevant state laws and administrative regulations and the following stipulations:

- (1) Restricted category Sino-foreign joint ventures must establish a time limit for operations;
- (2) In restricted category (A) foreign investment projects, fixed assets of Chinese investors must come from their own funds or funds belonging to them.

Article 10. Encouraged category or permitted category foreign investment projects shall be examined, approved, and put on record in accordance with the existing procedures and methods.

Restricted category (A) foreign investment projects shall be examined, approved, and put on record in accordance with existing procedures and methods. Of these, those outside the quota that must be examined and approved by the State Council shall be examined and approved by the planning departments or the enterprise technology transformation departments of the provinces, autonomous regions, municipalities directly under the central government, and cities directly under state control. The power to examine and approve such projects shall not be delegated to lower-level departments.

In restricted category (B) foreign investment items, for those outside the quota that must be examined and approved by the State Council, proposals shall be examined and approved by the State Council's relevant departments in charge of trade. Feasibility study reports of items shall, based on the nature of construction, be examined and approved by the planning departments or departments in charge of technical transformation of enterprises in provinces, autonomous regions, municipalities, and cities with economic autonomy; and be reported to the State Planning Commission or the State Economic and Trade Commission for the record. The authority for examining and approving such items shall not be delegated to lower levels. For those inside the quota that must be examined and approved by the State Council, they shall be examined and approved according to the existing provisions and procedures.

Foreign investment items requiring quotas or licenses shall apply for the quota or license ahead of time from the department in charge of foreign trade and economic cooperation.

Where the laws and administrative rules provide provisions otherwise for the procedures of examining and approving foreign investment items, such provisions shall be followed.

Article 11. For restricted category (A) foreign investment items that are within the scope prescribed in paragraph one of Article 6 of these regulations, if the export volume exceeds more than 70 percent of the total sales volume, such items can be approved and be regarded as permitted category foreign investment items; and they shall not be restricted by Article 9 of these regulations. Restrictions shall also be relaxed as deemed appropriate for the aforesaid foreign investment items that can surely give play to the central and western regions' advantage in resources, and that conform with the state industrial policy.

Article 12. For foreign investment items that are examined and approved in violation of these regulations, the higher authority in charge of examination and approval shall revoke their contracts and articles of association within 30 days after receipt of the document for recording such items; organs in charge of enterprise registration shall refuse or cancel the registration; and customs offices shall reject the application for import and export formalities.

Article 13. When the parties concerned in foreign investment items obtain the approval for proposals of items through fraud or other illegitimate means, they shall be affixed with legal responsibilities, depending on the seriousness of each case; the authority examining and approving such items shall revoke the approval; and

the competent authority shall take appropriate action according to law.

Article 14. When functionaries of the examining and approving authority abuse their position and power, engage in favoritism, commit irregularities, neglect duties, and overstep authority, they shall be given disciplinary sanction; a serious case which constitutes a crime shall be affixed with criminal responsibility.

Article 15. Investment items sponsored by overseas Chinese and investors from Hong Kong, Macao, and Taiwan shall be executed according to these regulations.

Article 16. These regulations shall be implemented by the State Planning Commission in coordination with the State Economic and Trade Commission and the Ministry of Foreign Trade and Economic Cooperation.

Article 17. These regulations become effective upon promulgation.

XINHUA English Reportage on Investment Law

Guidelines Issued

*OW2706114795 Beijing XINHUA in English
1136 GMT 27 Jun 95*

[FBIS Transcribed Text] Beijing, June 27 (XINHUA) — China today announced its policy on foreign investment and is making explicit for the first time the sectors where the country has drawn legal boundaries encouraging, restricting, or prohibiting foreign investment.

The State Planning Commission, the State Economic and Trade Commission, and the Ministry of Foreign Trade and Economic Cooperation today jointly issued a set of provisional regulations as guidelines for foreign investment and an accompanying industrial catalogue.

Observers here say that the policy is a manifestation of the Chinese government's intentions to actively, reasonably, and effectively utilize foreign funding, and marks a substantial change from the short-term, quantitative strategy to a long-term and qualitative one in the use of foreign funds.

According to the two documents, the Chinese government is encouraging foreign investment in agriculture, energy, communications, important raw materials, high technology, and utilization of resources.

From a geographic standpoint, China is encouraging foreigners to invest in the middle and western parts of the country.

China is restricting foreign investment in sectors where the country is still experimenting with utilizing foreign investment, in sectors where a state monopoly still exists, in projects which China has already planned

or where it can meet the domestic market demand by importing advanced technology, or in projects for exploiting rare and valuable raw mineral resources.

The areas where China clearly prohibits foreign investment include projects endangering China's security or harming the country's social and public interest, and those that can pollute the environment or damage natural resources.

The documents also state that in a few sectors and projects which are of vital national interest, the state's role must be that of the major share-holder or controlling interest.

"That is to say, state assets invested must be in a position of controlling share-holder in joint stock companies, holding more than 51 percent of the shares in projects that take the form of limited liability companies," a spokesman with the State Planning Commission said.

Since 1978, when the reforms and opening policy were adopted, China has had outstanding achievements in foreign investment utilization.

By the end of March this year, China had approved more than 220,000 foreign investment projects, with actual utilization of foreign funds surpassing 100 billion US dollars. Investors from over 150 countries and regions, including some multi-national corporations, are now becoming involved in China's economic construction,

The State Planning Commission spokesman told XINHUA that foreign investment has helped ease the shortage of funds domestically, has introduced advanced technology and managerial techniques, and helped China's economic development.

However, he went on to say, foreign investors have focused primarily on projects in general manufacturing and real estate, while the number of joint ventures in infrastructure construction are relatively small.

He added that labor-intensive projects far outnumber projects involving advanced technology and high added-value goods.

"The purpose of announcing the policy guidelines on foreign investment is to direct foreign investment towards sectors which urgently call for development, and to improve the structure of foreign investment so that foreign investment can be better tied to China's economic development and structural adjustment, as well as to increase the efficient use of foreign investment," he said.

The spokesman said that China will periodically revise the catalogue on foreign investments.

Areas Off Limits to Foreigners

OW2706161895 Beijing XINHUA in English
1440 GMT 27 Jun 95

[FBIS Transcribed Text] Beijing, June 27 (XINHUA) — China reiterated its stance today that foreign investment is forbidden in projects causing environmental pollution, damaging natural resources or harming human health.

In a set of provisional regulations guiding foreign investment issued today, China also said that foreigners are forbidden to invest in projects endangering the country's security or damaging the social and public interest.

Also, projects using up a lot of farm land but not conducive to the protection and development of land resources, as well as projects endangering the security of military facilities or hampering the normal performance of such facilities, are also listed as forbidden areas for foreign investment, it said.

The forbidden areas also include projects in which China makes use of its indigenous skills, and all projects that run counter to China's laws and administrative regulations.

Further on Restricted Areas

OW2706154595 Beijing XINHUA in English
1532 GMT 27 Jun 95

[FBIS Transcribed Text] Beijing, June 27 (XINHUA) — The Chinese government today released the "Provisional Regulations on Guiding Foreign Investment" which put controls on foreign investment in the following fields:

- Projects which have already been developed by domestic forces, and of which the technology has been imported and the production capacity satisfies the domestic demand;
- Projects belonging to state experiments in absorbing foreign investment or state monopolies;
- Prospecting and exploiting rare and valuable mineral deposits;
- Projects connected with industries that require state unified planning; and
- Other projects which are limited by the state law and administrative regulations.

New Foreign Investment Areas

OW2706154195 Beijing XINHUA in English
1442 GMT 27 Jun 95

[FBIS Transcribed Text] Beijing, June 27 (XINHUA) — The Chinese government today released the "Provi-

sional Regulations on Guiding Foreign Investment" to encourage foreign investment in the following fields:

- Projects connected with new agricultural techniques and overall development, energy development, transportation and major raw materials industries;
- Projects connected with market-oriented new equipment and materials beyond the domestic production capacity that involve high-tech and advanced technology and that can help improve products, economize on energy and raw materials, upgrade enterprise technology, raise economic efficiency and production;
- Projects which meet the needs of the international market, explore new markets and expand exports;
- New technology and equipment that can make comprehensive use of natural resources and regenerated resources as well as controlling and cleaning environment pollution;
- Projects that can help display the advantages of manpower and natural resources in the central and western parts of the country, and that accord with the state industrial policies; and
- Other projects encouraged by state regulations or policies.

China Vigorously Protects Foreign Trademarks

SK2806063295 Beijing XINHUA Domestic Service
in Chinese 1600 GMT 27 Jun 95

[By reporter Shi Xiaofan (0670 0879 1581)]

[FBIS Translated Text] Beijing, 27 June (XINHUA) — China has vigorously provided protection for overseas trademarks. At present, firms from nearly 80 countries and regions in the world have registered their trademarks in China. Among the world famous trademarks, a great majority of them have obtained rights to protection in China.

Statistics from the the State Industrial and Commercial Bureau show that as of the end of 1994, more than 70,000 overseas trademarks had been registered in China. During the first five months of this year, a batch of 9,581 foreign trademarks were registered. In addition, China has also approved Madrid Trademark International Registration Office to register over 20,000 trademarks in China, of which, some 2,000 trademarks have applied for registration.

The rapid development of Sino-foreign economic and trade cooperation is the main reason for the increase of overseas trademarks every year. One thing which merits our attention is that about a half of the overseas trademarks that have been registered in China actually

have not entered the market of China. Analysts believed that these trademarks which entered China first have conspicuously reflected foreign firms' foresight of using trademarks to develop and occupy China's markets.

According to the presentation given by Yuan Youxiang, director of the international registration section of the trademark bureau, China has persistently followed the "trademark law" and relevant international practices, implemented the principle that all nationals are equally treated, and treated the domestic and foreign trademarks equally in registration and management. Last year, China investigated and handled over 12,400 cases on infringing upon the trademark right or making imitations, of which, 656 cases involved foreign trademarks, including many brand-name trademarks overseas, and safeguarded the interest of trademark holders. At present, China has linked the trademark classification, the application and examination of registered trademarks, and trademark management with international practice.

China, U.S., Singapore Set Up Air Transport Venture

*OW2806101095 Beijing XINHUA in English
0854 GMT 28 Jun 95*

[FBIS Transcribed Text] Shanghai, June 28 (XINHUA) — A company jointly financed by China, the United States and Singapore for handling international air transportation services was established here today.

The company involves a joint investment of 1.4 million US dollars from the Shanghai United International Air Freight Company Ltd, Beijing International Ocean Freight & Forwarding Company, Coslink (Singapore) Pte Ltd, and Air Express International Pte Ltd (Hong Kong).

It will offer agent services for transportation of import and export goods, ranging from finding materials to be transported, booking of cabins, storage, transfer, loading and unloading of containers, settlement of air transportation and related expenses, and expediting customs procedures, to related short-distance transportation and consultancy services.

The company has a warehouse covering 1,000 sq m and advanced equipment for transporting, loading and unloading cargo near the Hongqiao Airport in Shanghai.

Observers here believe that the operation of the new company will greatly enhance Shanghai Port's capacity for handling international air transportation of goods.

Du Pont To Produce Spandex in Shanghai

*OW2806100995 Beijing XINHUA in English
0854 GMT 28 Jun 95*

[FBIS Transcribed Text] Shanghai, June 28 (XINHUA) — Du Pont, an international chemical giant, will pour a huge amount of investment into Shanghai to build a joint venture producing "Lycra" brand spandex fibers.

Du Pont Fibers (China) Ltd, at a cost of 90 million US dollars, is so far the largest project the transnational company has ever financed in China. Investment from the American side accounts for 90 percent, while the rest came from the China Huayuan Industrial Company Ltd.

The joint venture is expected to start production in 1997, with an annual output of 2,000 tons of spandex fibers, mainly to supply China's textile industry.

Du Pont was the world's first manufacturer of spandex, a highly flexible fiber used as a textile material. It has set up a dozen of spandex factories around the world, and occupies half of the international market.

For the Chinese side, it is a move to upgrade technology in the traditional textile industry.

DHL, Sinotrans To Expand Joint-Venture Network

*OW2706140895 Beijing XINHUA in English
1238 GMT 27 Jun 95*

[FBIS Transcribed Text] Beijing, June 27 (XINHUA) — Air express giant DHL Worldwide Express and its China partner Sinotrans will expand their joint-venture network from ten cities to 26 by the end of 1996, "China Tourism News" reported.

By then, some 1,000 local people will be employed by DHL, said the newspaper.

DHL Sinotrans is a joint venture between DHL Worldwide Express and the China National Foreign Trade Transportation Corporation.

DHL boasts the largest international aviation express service company in the world. It is headquartered in Brussels, the capital of Belgium and does business in 215 countries and regions, employing 35,000 people.

In the past five years, when the world was suffering a recession, DHL still saw an annual growth rate of 20 percent in the volume of cargo transported and its total turnover.

The air transportation giant entered the Chinese market as early as 1980, and set up DHL Sinotrans in 1986.

At present, the joint venture has three major gateways — in Shanghai, Guangzhou and Beijing, respectively, and has set up sub-offices in Wuhan, Shenzhen, Dalian, Qingdao, Tianjin, Hangzhou and Xiamen.

By the end of this year the joint venture will open six new sub-offices — in Ningbo, Chengdu, Nanjing, Fuzhou, Xian and Shijiazhuang, respectively.

U.S. Computer Firm To Form Joint Production Venture

OW2806030595 Beijing XINHUA in English
0152 GMT 28 Jun 95

[FBIS Transcribed Text] Beijing, June 28 (XINHUA) — Apple Computer International Ltd of the United States is expected to co-operate with China to manufacture the Macintosh platform in China soon.

Establishment of a joint venture for such co-operation is to meet the increasing demands of China's personal computer (PC) market, said a senior manager of Apple China here Tuesday during a seminar called, China Market Forum '95 Beijing, hosted by the company.

It was learned that during the two-day forum, Chinese computer developers and producers will be informed of Apple's advanced technology and marketing strategy, and overseas manufacturers will acquaint themselves with the Chinese market and seek co-operation opportunities.

"We expect a healthy cross-fertilization of expertise between the two groups, as overseas developers share their marketing and sales know-how and Chinese companies share their engineering and localization skills," said Vincent Tai, general manager of Apple China.

Moreover, Apple introduced its most powerful and expandable PC to date, the Power Macintosh 9500.

Combining new Power Macintosh architecture and a PowerPC 604 processor, the Power Macintosh 9500 provides customers with up to double the performance and over three times the memory expansion of Apple's previous top-of-the-line model, according to the company.

Guangzhou Company To Set Up Brewery in Belgium

OW2706090395 Beijing XINHUA in English
0852 GMT 27 Jun 95

[FBIS Transcribed Text] Guangzhou, June 27 (XINHUA) — Zhujiang Beer Europe Co. Ltd, a joint venture between Zhujiang Beer Company Group of Guangzhou, capital of south China's Guangdong Province, and In-

terbrew S.A. of Belgium, will start operation in Brussels on June 30.

According to officials with the Zhujiang group, the joint venture has been licensed to brew and sell Zhujiang brand beer in Europe.

A forerunner of Zhujiang Beer Company Group, Zhujiang Brewery, introduced advanced beer-brewing technology from Interbrew S.A., one of the five leading breweries in Europe. Zhujiang Brewery has had an annual growth rate of 25 percent since 1985, when the factory first went into operation.

The brewery has developed into a conglomerate of some 40 businesses, able to produce 400,000 tons of beer a year, with a value of one billion yuan.

The conglomerate also produces soft drinks and mineral water, and its products sell well in overseas markets, including in the United States and Europe.

It is expected that by the turn of this century, the conglomerate will produce 700,000 to one million tons of beer, with a value of 3.5 billion yuan.

Beijing Hosts International Marketing Conference

OW2706163295 Beijing XINHUA in English
1513 GMT 27 Jun 95

[FBIS Transcribed Text] Beijing, June 27 (XINHUA) — Over 150 Chinese and overseas marketing experts gathered here to discuss marketing and social development.

Sponsored by the International Marketing Sales and Social Development Association of the United States, the conference, the fifth of its kind, focused on exchanges between the developed countries and the developing and newly industrialized countries on new theories of marketing and social development, with the aim of promoting the developing countries' world market share.

The conference has been held every two years in a developing country since 1986, when it was initiated by the association. This year's Beijing conference was jointly organized by the Beijing-based Chinese People's University and two universities in Canada.

Agriculture

Anhui Offers Preferential Policies for Animal Husbandry

OW2806082095 Beijing XINHUA in English
0735 GMT 28 Jun 95

[FBIS Transcribed Text] Hefei, June 28 (XINHUA) — Anhui, one of China's major grain producers, is stepping

up the development of animal husbandry production in a bid to become a key animal husbandry province.

The output value of Anhui's animal husbandry totalled 11.74 billion yuan last year, accounting for 26.4 percent of the total agricultural output value, an increase of three percentage points over the previous year.

The provincial government has just made a blueprint for animal husbandry with a plan to turn out 2.6 million tons of meat, 900,000 tons of eggs, 100,000 tons of dairy products annually, and generate 23 billion yuan of output value from animal husbandry by the end of this century.

To accomplish this objective, the province has decided to grant preferential policies to animal husbandry, encouraging investment in this field and to popularize scientific developments in rural areas.

It also has plans to produce more animal feed and to expand social services and marketing.

***Hubei Reports Grain, Edible Oil Procurement**

95CE0444H Beijing JINRONG SHIBAO in Chinese
12 Jun 95 p 1

[FBIS Summary] As of 5 June, the Agricultural Development Bank provided 280 million yuan to Hubei agricultural banks to procure 102,630,000 kilograms of edible oil, and 98,180,000 kilograms of grain.

***Corn, Wheat, Soybean Prices Reported**

95CE0444I Beijing JINGJI CANKAO BAO
in Chinese 12 Jun 95 p 2

[FBIS Summary] At present the average wholesale price of corn is about 1600 yuan per ton, and the spot price on the Zhengzhou Market is about 1700 yuan per ton. China will need about 92 million tons of corn this year. China has stopped corn exports, but imports will not meet demand.

At present, the wholesale price of wheat on the Zhengzhou Market is 1900 yuan per ton. In November and December, because consumption will increase and supply will decrease, prices will rise to about 2000 yuan per ton.

The procurement price for soybeans will stabilize at 1.90-2.00 yuan per kilogram.

***Hebei Reports Agricultural Output Value**

95CE0444J Shijiazhuang HEBEI RIBAO in Chinese
23 May 95 p 1

[FBIS Summary] In the first quarter of 1995, the gross value of agricultural output in Hebei Province was 10.95 billion yuan, a 13.4 percent increase over the same period in 1994; agricultural loans from banks and financial organs totaled 1.22 billion yuan, and per capita farmer investment in production was 81.3 yuan, increases of 41.3 percent and 87 percent respectively over the same period in 1994.

The planned cotton area for Hebei this year is 10 million mu. The spring cotton area was 7.5 million mu and the summer cotton area 2.5 million mu.

***Sichuan Pork Exports Increase in 1st Quarter**

95CE0444K Chengdu SICHUAN JINGJI RIBAO
in Chinese 20 Jun 95 p 1

[FBIS Summary] From January to May, pork exports from Sichuan Province exceeded 27,000 tons, a 20 percent increase over the same period in 1994.

***Sichuan Province Increases Sugar Area**

95CE0444L Chengdu SICHUAN JINGJI RIBAO
in Chinese 20 Jun 95 p 1

[FBIS Summary] The estimated sugar area in Sichuan Province this year may reach 38,187 hectares, an increase of 2,821 hectares, or 8 percent over 1994.

***Yunnan Reports Summer Grain Output**

95CE0444M Chongqing XINAN JINGJI RIBAO
in Chinese 13 Jun 95 p 1

[FBIS Summary] This year summer grain output in Yunnan Province will reach 2,210,000 tons, an increase of 230,000 tons, or 11.6 percent over 1994. The output of summer oil crops will reach 135,400 tons, an increase of 52,100 tons, or 62.6 percent.

East Region

Anhui Invites More Overseas Scholars, Experts

OW2806070695 Beijing XINHUA in English
0614 GMT 28 Jun 95

[FBIS Transcribed Text] Hefei, June 28 (XINHUA) — East China's Anhui Province has been inviting more and more scholars and experts from overseas to help with its economic construction and has achieved remarkable benefits in recent years.

According to the provincial department concerned, the province has appointed 2,472 technological and management experts from overseas since 1993.

Remarkable achievements have been made in cooperating with overseas experts to develop hi-tech production and high quality agriculture. The province invited hundreds of agronomists from overseas and adopted advanced cultivation techniques and improved varieties of crop seeds.

Anhui and other provinces have adopted fine techniques involved in dry-nursing rice seedlings and sparse-seeding paddy rice. In 1994, the acreage worked under such techniques reached 1.7 million mu (113,000 ha), greatly raising output. The acreage is expected to reach 5 million mu this year.

The province also invited Japanese experts to guide the planting of improved apple trees on over 200,000 mu of fields.

It also introduced a number of new varieties of beans and vegetables from overseas.

Many technological and managerial experts were invited as advisors in the technological transformation of enterprises.

Fujian Secretary on Studying Deng Theory

HK2806091495 Fuzhou Fujian People's Radio
Network in Mandarin 2300 GMT 20 Jun 95

[FBIS Translated Text] Last night [20 June], the provincial party committee central study group called a session to study the Essentials of Comrade Deng Xiaoping's Theory of Building Socialism With Chinese Characteristics, at which Provincial Party Secretary Jia Qinglin stressed: Vast numbers of party members and cadres, all-level leading cadres in particular, must take the initiative in profoundly digging into the Selected Works of Deng Xiaoping, conscientiously studying study the Essentials, and advancing the provincewide study of the theory to a new stage.

It is understood that to follow the CPC Central Committee guidelines on printing and distributing the circular on the Essentials of Studying Comrade Deng Xiaoping's

Theory of Building Socialism With Chinese Characteristics, the provincial party committee has decided that in the four weeks after 20 June, the provincial party committee should spend two nights every week in profoundly studying, in the form of intensive discussion and lecture and with the Essentials taken as important background materials, Comrade Deng Xiaoping's original works so as to further grasp the spiritual essence and scientific system of Deng Xiaoping's theory.

Also present at the study session last night were provincial leaders Chen Mingyi, You Dexing, Lin Kaiqin, Zhao Xuemin, Lin Zhaoshu, Huang Wenlin, Xi Jinping, Chen Yingguan, Huang Songlu, Su Chanpei, Zhang Mingjun, Song Jun, Zhang Jiakun, Tong Wanheng, Pan Xincheng, and Fang Zhongbing, and provincial party committee Secretary General Huang Ruilin [as heard].

Provincial Party Secretary Jia Qinglin presided over the study session and delivered a speech. Zhao Xuemin, member of the provincial party committee standing committee and head of the propaganda department, briefed the participants on the Essentials of Studying Comrade Deng Xiaoping's Theory of Building Socialism With Chinese Characteristics.

Jia Qinglin said in his speech: We must have a full understanding of the necessity and importance of further studying Deng Xiaoping's Theory of Building Socialism With Chinese Characteristics by taking the Essentials as important background materials. As advocated by the 14th Party Congress, arming the whole party with Deng Xiaoping's Theory of Building Socialism With Chinese Characteristics is the fundamental guarantee for upholding the basic party line for 100 years without vacillation. The Essentials have, in a relatively comprehensive and accurate manner, shed light on the thinking of the Selected Works of Deng Xiaoping, which helps us understand, in a better way, the scientific system for the Theory of Building Socialism With Chinese Characteristics. Meanwhile, we must take the Essentials as a clue to devoting ourselves to the study of the Selected Works of Deng Xiaoping and to further grasping the spiritual essence of the Theory of Building Socialism With Chinese Characteristics.

In conclusion, Jia Qinglin stressed: In our study, we must not only have a clear idea of the ideological viewpoints of Deng Xiaoping's Theory of Building Socialism With Chinese Characteristics but should also be clear about the inherent connections between the ideological viewpoints of this theory. By studying the Essentials, we should strive to thoroughly comprehend Deng Xiaoping's theory and fully grasp the scientific system of the theory. It is hoped that by studying the theory in light of actual conditions, we can further arm

our minds with Deng Xiaoping's Theory of Building Socialism With Chinese Characteristics, put it into practice, guide our practice, be more conscientious and resolute in implementing the party's basic theory and line, and have a better political quality in and be more capable of solving concrete problems.

Fujian Secretary Meets With Hong Kong Group

HK2806091695 Fuzhou Fujian People's Radio Network in Mandarin 2300 GMT 20 Jun 95

[FBIS Translated Text] Yesterday afternoon, at Fuzhou Xihu Guesthouse, Provincial Party Secretary Jia Qinglin cordially met with all the members of the Hong Kong Fujian Athletic Association delegation, persons in charge of the Hong Kong All-Star Basketball Team and of a Hong Kong industrial, commercial, and press delegation, and some overseas deputies to the second session of the provincial association for external cultural exchange.

Provincial leaders Lin Kaiqin, He Shaochuan, Zhao Xuemin, and Wang Liangchuan attended the meeting.

At the meeting, Jia Qinglin praised the Hong Kong Fujian Athletic Association and other organizations founded by fellow Fujian people for playing an increasingly important role in the political and economic affairs of Hong Kong. He wished these organizations to pay more visits to Fujian, to have a better understanding of Fujian, to put forward valuable suggestions more frequently, and to vigorously support Fujian's reform, opening up, and economic construction.

Jiangxi Provincial Floods Kill 64

HK2806030695 Beijing ZHONGGUO XINWEN SHE in English 1345 GMT 27 Jun 95

[FBIS Transcribed Text] Nanchang, June 27 (CNS) — Three consecutive rainstorms in Jiangxi Province recently have caused torrents of water rushing down mountains and a sudden rise in water level of rivers. According to incomplete statistics, so far 7.092 million Jiangxi residents have been affected, over 280,000 houses have been destroyed, 6.35 million mu of crops have been damaged, the kill people increase to 64, resulting in a direct economic loss of over four billion yuan. [sentence as received]

The provincial government of Jiangxi is currently holding an urgent telephone conference on flood control and disaster relief. The conference demands the whole province to take immediate action to combat floods and provide disaster relief.

A few days ago, Shu Shengyou, deputy governor of Jiangxi, demanded all districts to strictly carry out a re-

sponsibility system on flood control to ensure the safety of various flood-control facilities. He requested all districts to take practical steps to help flood victims via the provision of food, accommodation and production tools. Furthermore, measures should be taken to prevent a disease epidemic and social order should also be firmly maintained. Special attention should be paid to victims most seriously affected by the floods.

As forecasted by the provincial meteorological department of Jiangxi, the province will receive more heavy precipitation, with heavy rain and rainstorms in cities such as Jiujiang, Yichun, Shangrao, Jian and Fuzhou. Elsewhere, there will be heavy rainstorms in some parts along the Zhejiang-Jiangxi Railway. Therefore, Jiangxi remains facing a critical situation on flood control and disaster relief.

Shandong Secretary on Building Party Organizations

SK2806055095 Jinan Shandong People's Radio Network in Mandarin 2300 GMT 27 Jun 95

[FBIS Translated Text] The provincial meeting to exchange experience in building grassroots party organizations ended in Jinan on the afternoon of 27 June. During the meeting, Zhao Zhihao, secretary of the provincial party committee, and Chen Jianguo, deputy secretary of the provincial party committee and vice governor, gave important speeches respectively. Wang Keyu, member of the standing committee of the provincial party committee and director of the propaganda department, set demands on successfully carrying out the province's organizational work during the second half of the year. Over 80 units and individuals introduced their experiences or gave speeches on typical cases.

In his speech, Zhao Zhihao pointed out: It is necessary to vigorously study, publicize, and popularize typical cases and elevate the building of grassroots party organizations unceasingly to new heights. In order to strengthen the building of grassroots party organizations, we must give priority to rural areas, and at the same time, pay attention to grasping the building of enterprise party organizations to meet the needs of reform, opening up, and the development of social productive forces.

In his speech, Chen Jianguo pointed out: The key to strengthening the building of grassroots party organizations is to build a good leading body and enable it to realistically become a fighting bastion that can unite with and lead the masses to carry out reform and construction. Meanwhile, we should continue to strengthen management over the education of party members, conscientiously study the theory of building socialism with Chinese characteristics and the party constitution, and

give full play to the vanguard and exemplary role of the communist party members.

Shanghai Invests More in Infrastructure

OW2806031995 *Beijing XINHUA in English*
0228 GMT 28 Jun 95

[FBIS Transcribed Text] Shanghai, June 28 (XINHUA) — Shanghai, China's largest economic center, will invest 34 billion yuan in building urban infrastructural facilities in the next three years.

According to Xia Keqiang, vice-mayor of the city in charge of urban construction, infrastructural construction has been given priority, and the municipal government is drafting policies and measures to further encourage the development of such facilities.

Xia said that preparation is under way for expanding and building the Hongqiao International Airport and the Pudong International Airport, which will have an annual handling capacity of 100 million passengers upon completion.

Projects being built include the dredging of the navigation channel in the Chang Jiang estuary, the Waigaoqiao deep-water port, and the expansion of a container wharf as well as the expansion of the electronic information network.

Shanghai plans to increase its telephone exchange capacity up to 3.3 million lines by the end of this year, and expand its telephone number up to eight digitals by the end of this year.

While speeding up construction of the Shanghai-Nanjing expressway, Shanghai will contribute to the building of the Shanghai-Hangzhou expressway. The Beijing-Shanghai and Shanghai-Nanjing high-speed railways, still under construction, will be the first of the kind in operation in the country.

Construction of other infrastructural facilities is in full swing.

The vice-mayor said that the municipal government is welcoming foreign investment in this field.

Central-South Region

Nation's Longest Rubber Dam Built in Henan

OW2806031895 *Beijing XINHUA in English*
0231 GMT 28 Jun 95

[FBIS Transcribed Text] Zhengzhou, June 28 (XINHUA) — China's longest rubber dam has been built and put to use in Nanyang city, in central China's Henan Province.

The dam, built over the Bahe River, is 500 m long and 3.5 m high, and cost 13 million yuan. It can make

a reservoir to conserve 3.3 million cubic m of water under normal circumstances, and is expected to improve local drinking water quality and alleviate pressure on the city's underground water resources.

Rubber dams, built with heavy-duty rubberized bags filled with water or gas, cost less and are more efficient compared with dams built with stones or cement. They are extensively used in urban wastewater treatment and agricultural irrigation.

Hubei Province Forms Major Tyre Production Group

OW2806071395 *Beijing XINHUA in English*
0620 GMT 28 Jun 95

[FBIS Transcribed Text] Wuhan, June 28 (XINHUA) — About 45 rubber tyre production enterprises in Central China's Hubei Province have been combined to form the Dongfeng Tyre Company (Group).

The 45 enterprises produce 80 percent of the tyres in the province.

As the core for the large group company and also the biggest tyre producer in the country, the Dongfeng Tyre Factory has an annual production capacity of four million. It makes 100 million yuan in profits and taxes every year.

Officials with the company said that the first step is to set up three large tyre production bases in Shiyan, Wuhan and Huangshi cities.

The development target is to form a super-large tyre production industrial group with an annual production capacity of ten million.

Products of the Dongfeng Factory have passed quality checks in the United States and in European Countries.

A Malaysia-based company has invested 500 million yuan to open a joint-venture with the factory.

Over 100 Dead in Hunan After Week of Heavy Rain

OW2806102495 *Beijing XINHUA in English*
1006 GMT 28 Jun 95

[FBIS Transcribed Text] Changsha, June 28 (XINHUA) — The people of central China's Hunan Province are turning out in droves to fight floods.

A week of torrential rain has caused more than 100 deaths, stranded some 400,000 people and disrupted the lives of 6.65 million others.

The rains have also destroyed a large number of water-control, transportation, telecommunication and power facilities, and submerged 369,900 ha of crops so far.

The torrential rains have caused the water level of the Dongting Lake, one of China's major freshwater lakes, to rise above the warning level.

Wang Maolin and Yang Zhengwu, provincial Party secretary and governor, today urged all departments to take emergency measures to fight the floods and try to limit the losses to the minimum.

Hunan Meeting Relays National Science Program

HK2806071595 Changsha Hunan People's Radio Network in Mandarin 2300 GMT 15 Jun 95

[FBIS Translated Text] A provincial meeting to relay the guidelines of the national science and technology conference was held in Changsha on 15 June. Wen Xuande, member of the provincial party committee standing committee and concurrently director of the propaganda department, presided.

Vice Governor Fan Guiyu made a report to relay the guidelines. Fan first briefed participants on the conditions of the national science and technology conference, and analyzed the characteristics of present-day scientific and technological work in the province. She then set out the requirements for implementing the guidelines of the national science and technology conference. In conclusion, she stressed that to study and implement the spirit of the national science and technology conference is not confined to scientific, technological, and economic departments, but it concerned all departments, as well as society as a whole. It is imperative to augment the awareness of science and technology, and to exert efforts to contribute to the reinvigoration of one's native land and country with science and technology.

Attending the report meeting were (Liu Yumo), vice chairman of the provincial people's congress standing committee; (Zhang Yunnan), director of provincial science and technology commission; and (Dai Haichun), deputy secretary of the working committee of organs directly under the provincial authorities.

Southwest Region

Guizhou Governor Addresses Scientific Forum

HK2606031695 Guiyang Guizhou People's Radio Network in Mandarin 2300 GMT 15 Jun 95

[FBIS Translated Text] On 15 June, provincial scientific and technical circles held a forum in Guiyang on implementing the spirit of the National Congress on Science and Technology. Provincial Governor Chen Shineng, Qiyang Ziyuan, vice chairman of the provincial People's Congress Standing Committee and chairman of the Provincial Science and Technology Association, and Vice Provincial Governor Gong Xianrong, attended the forum.

Provincial Governor Chen Shineng delivered a speech at the meeting. He said: Our province's economic base is weak, and there are fairly large poverty-stricken areas. There are major gaps between us and the developed coastal areas. One of the ways to narrow the gaps is to implement Comrade Deng Xiaoping's thinking that science and technology are primary productive forces. We must overcome difficulties by our own efforts and struggle hard to rely on science and technology to improve the quality of our laborers.

Experts and scholars from scientific and technical circles successively aired their views and made suggestions. While talking about the issue of investment in science and technology, Zhu Yuqing, chairman of the provincial Science and Technology Commission, stressed that we must use our limited funds where they are needed most to speed up the transformation of scientific and technical achievement to serve economic construction.

Li Liangqi, an 86-year-old veteran scientist, proposed an idea of fully making use of the experiences and knowledge of veteran scientists, and encouraging them to establish lecturers' teams to give lectures to and train young intellectuals. Li Jingguo, vice chairman of the provincial Educational Commission, stressed that, in order to develop science and technology, it is necessary to vigorously develop educational undertakings. He believed that education is a cradle for training scientific and technical personnel, as well as an important channel for spreading and popularizing science and technology. He called on relevant departments to create conditions for young and middle-aged qualified scientific and technical personnel to give play to their talent.

Zhu Anguo, vice chairman of the Provincial Science and Technology Association, stressed: It is necessary to rely on policy to arouse the enthusiasm of scientific and technical workers. In the meantime, it is also necessary to vigorously carry out the work of popularizing science and rely on the popularization of scientific knowledge to enhance the quality of the entire people.

After listening to the speeches of experts and scholars, Vice Provincial Governor Gong Xianrong said: Our province is to hold a science and technology conference in September this year to relay the spirit of the national congress of science and technology, sum up and exchange experience in scientific and technical development, and study and implement the relevant decisions of the central authorities to fully pursue the idea that science and technology are primary productive forces. It is necessary to truly bring economic construction on to the track of relying on scientific and technical progress. The congress will also make a decision on invigorating Guizhou through science and technology with the

aim of relying on scientific and technical progress to enhance the quality of the entire people, speed up the pace of getting rid of poverty and marching toward small-scale prosperity, and fulfilling the strategy of invigorating Guizhou and enriching its people.

Sichuan Leaders Address Science Meeting

HK2706073095 Chengdu Sichuan People's Radio Network in Mandarin 1100 GMT 19 Jun 95

[FBIS Translated Text] The Sichuan provincial radio and television meeting on implementing the spirit of the national science and technology conference was held this morning in the Provincial People's Cultural Hall in Chengdu. The meeting urged conscientiously implementing the spirit of the national science and technology conference in order to firmly and unswervingly pursue a strategy of invigorating Sichuan through science and technology. The meeting was presided over by Provincial Party Deputy Secretary Qin Yuqin.

Vice Provincial Governor Xu Shiqun relayed the spirit of the national science and technology conference, and Provincial Governor Xiao Yang made arrangements for implementing this spirit. Provincial Party Secretary Xie Shijie made several suggestions on enhancing our understanding of the strategy of invigorating our country with science and education and relaying, studying, propagating, and implementing the spirit of the conference in our province.

In his speech, Provincial Governor Xiao Yang pointed out: This year is the last year of the eighth five-year plan, as well as a key year in our province for fulfilling the targets of the second-stage strategy. It is necessary for us to continue to maintain the good momentum of economic development. In the final analysis, we must rely on the strength of science and technology. In the course of continuing to implement the strategy of invigorating Sichuan with science and technology, we must take economic construction as a key battle front, and surmounting key issues which should be solved in the development of national economy as a major element.

We must realize the effective integration of science, technology and economy in terms of strategic targets, policy, and system [words indistinct]. It is necessary to take forceful measures to strengthen scientific and technical work in agriculture and assign it an important position in the entire scientific and technical work. It is necessary to accelerate the transformation of scientific and technical achievements and actively popularize advanced and applied technology, including high technology. It is necessary to speed up the pace of the technical transformation of our traditional industries and increase

the technical content of their products and their market competitiveness. It is necessary to enhance the quality and efficiency of our industrial growth to promote the optimization and value increase of our production setups. In particular, we must attach importance to using modern science and technology to equip our basic and key industries and enhancing information system, automation, and computerization of our modern enterprise and social management.

In his speech, Provincial Party Secretary Xie Shijie said: At present, CPC Committees and governments at all levels, all fronts and various departments throughout the province must conscientiously study and fully implement the spirit of the national science and technology conference. We must place our emphasis on grasping well the work in the following three areas:

1. We must grasp well the work of relaying and studying the spirit of the scientific and technical conference, so that scientific and educational work will find roots in the hearts of our people.

2. We must seize the key link to truly ensure that the number one man grasps productive forces. We must solve practical problems arising in scientific and technical work, work out and improve methods for assessing scientific and technical progress, and set specific targets. Scientific and technical work should be treated as an important element in assessing the work of the CPC committees and governments at all levels. We must truly strengthen examination and supervision over scientific and technical work. In the meantime, we must also strengthen legislation and improvement of laws and decrees of science and technology. We must protect intellectual property rights and ensure the implementation of various scientific and technical policies.

3. We must grasp planning work well. In the ninth five-year plan and 2010 program, we must conscientiously fulfill various requirements for scientific and technical progress.

Those who were present at the meeting today also included leaders from the Provincial CPC Committee, Provincial People's Congress, government, provincial committee of the Chinese People's Political Consultative Conference (CPPCC), and Provincial Military District. They included: Yang Xizong, Nie Ronggui, Song Baorui, Diao Jinxiang, Luo Liangyang, Huang Yinkui, Geng Quanli, Shen Guojun, Kang Zhenhuang, Yao Yongyu, Li Meng, Xin Wen, Zhang Tinghan, Luo Yingjin. Academicians of the Chinese Academy of Sciences and Chinese Academy of Engineering who were in Chengdu also attended today's meeting. They included Xu Baobin, Lin Meiqian, and Shen Jin.

It was also reported that various prefectures, cities and autonomous prefectures, as well as various departments directly under the provincial authorities also organized the masses to watch or listen to the radio and television meeting in their respective meeting places.

Chen Kuiyuan Says Tibet To Continue Opening Up

*OW2306164095 Beijing XINHUA in English
1608 GMT 23 Jun 95*

[FBIS Transcribed Text] Lhasa, June 23 (XINHUA) — Tibet will adhere to the policy of opening-up to the outside world, but the outside world should learn more about it, a senior local official said today.

"The outside world has misunderstood many things about Tibet because it has been closed for a long time due to poor travel conditions," Chen Kuiyuan, secretary of the Tibet Autonomous Regional Committee of the Communist Party of China said during a meeting here today with Mr. Cheng Tong Fatt, Singaporean ambassador to China, who is now paying a visit to Tibet.

Rumors have been spread that there is no religious freedom and that the traditional culture and environment of Tibet have been destroyed, but people who have been to Tibet have seen quite a different picture, Chen Kuiyuan noted.

Agricultural conditions in Tibet have greatly improved over the past several years with the help of the whole nation, he explained, and the central government has recently decided to put more money in more than 60 key projects in the region. It is also sending more capable officials to help Tibet promote local economic development, he added.

Chen said that Tibet will continue in its policy of reforms and opening-up and will seek more foreign trade and economic co-operation.

The Singaporean ambassador and his family came to Lhasa on June 21 and have visited many scenic spots, historical places and modern construction projects during their stay in Tibet.

North Region

Beijing Mayor Speaks on Industry Malpractice

*SK2706041095 Beijing BEIJING RIBAO in Chinese
16 Jun 95 p 1*

[FBIS Translated Text] The municipal people's government held the 59th routine meeting on 15 June to discuss the work to correct the malpractice cropping up among various industries and trades. During the meeting, Mayor Li Qiyuan stressed that we should attach the greatest importance on correcting the malpractice crop-

ping up in various industries and trades and that we should reinforce the dynamics in the work, firmly and deeply grasp the work, and carry out the implementation of work and the inspection over the work to truly score practical results from them.

During the meeting, Lu Yudong, director of the municipal supervisory bureau, delivered a speech in which he relayed the spirit of the national work conference on carrying out special consolidation over the malpractice cropping up in various industries and trades and put forward opinions on implementing the documents issued by the State Council and the spirit of the national work conference on carrying out special consolidation over the malpractice. The general target set for the municipality as a whole in the work this year is to consolidate the achievements scored in the work and to further implement the work as well as to deepen and expand the work. This can be summarized as "three clearing up, three controls, and one checking" that means to consolidate the achievements scored in clearing up the arbitrary collection of expenses last year, in clearing up enterprises' funds and materials occupied gratis by party and government organs, and in clearing up overseas trips with public funds, and to further implement the work of clearing up; means to control the arbitrary establishment of check points along the highways, arbitrary collection of charges along the highways, and arbitrary fines imposed on vehicles, to control the increase of burdens imposed on peasants, and to control the arbitrary collection of charges among middle and primary school students; and means to prevent the malpractice cropping up in various industries and trades. In line with their local reality, various localities and departments should carry out the work in this regard and somewhat expand it and somewhat check the malpractice cropping up in various industries and trades, which have evoked strong repercussions among the masses. The work to check the malpractice cropping up in various industries and trades this year and to score practical results from correction will be placed on the following two aspects: First, by carrying out combination with the work that has done over the past year in implementing the "Beijing Municipal Regulations on the Management Over the Collection of Administrative and Operating Expenses," we should enhance the dynamics of propaganda in the work; score more obvious results based on expanding the issuance of the charge collection cards to carry out supervision; and should summarize the supervision timely. Second, we should make a breakthrough in the work to control the arbitrary collection of charges among middle and primary school students. In particular, we should formulate certain policies on collecting charges from "students who have attended the school on

a choice basis" and score certain results in standardizing the charge collection acts of schools.

Li Qiyang stated in his speech: Correcting the malpractice cropping up in various industries and trades represents an important measure to combat corruption, to encourage administrative honesty, and to straighten out party and official styles and we should attach great importance on such a measure. Corrupt elements are easy to come out if the malpractice cropping up in various industries and trades have not been checked and these malpractice cases are possible to spread if these elements have not been eliminated timely. Straightening out the morale of various industries and trades represents the need for various industries and trades to achieve development, for the society to safeguard the people's interest, for the party's cause to achieve development, and for cadres at all levels to have healthy growth and to succeed in their work. We must do a good job in preventing the malpractice cropping up in various industries and trades because the masses have lodged strong complaints about them. We should actively grasp the correction in this regard to win the people's trust and to upgrade the prestige of the party and the government.

Li Qiyang stated: We should reinforce the dynamics in correcting the malpractice and obviously put forward several measures to emphatically deal with several practical problems in the second half of this year, to firmly and deeply implement these measures, to conduct inspection over the enforcement of measures, and to truly score practical results from the enforcement. The municipality as well as various districts, counties, and bureaus should consciously do a good job in grasping the work of correcting the malpractice cropping up in various industries and trades by regarding the work as a big event. They should create a fine environment for the capital to conduct reform, opening up, and economic construction, and to build Beijing into a large international city, as well as promote a better development of undertakings in various fields.

Beijing Launches New Migrant Labor Measures

HK2306143395 Beijing ZHONGGUO XINWEN SHE
in English 1152 GMT 23 Jun 95

[FBIS Transcribed Text] Beijing, June 23 (CNS) — Aggrieved by the problem of massive unemployment, the Beijing Municipal Government is expected to launch a Re-Employment Scheme in due course in order to curb the influx of migrant laborers.

Since 1992, the number of the unemployed in Beijing Municipality figured around 15,000 per annum with the ratio for re-employment at only 56 per cent, a situation

aggravated by the increasing number of the long-standing jobless who are laid off from large enterprises.

Yet at the same time, numerous enterprises are bringing into Beijing a huge influx of low-cost migrant labour from other provinces. At present among the municipality's 3 million-strong floating population, the volume of organized inflow of rural laborers into the urban areas for seeking jobs is close to 800,000 while the volume of individual workers is beyond computation and rising steeply year after year.

The main content of the brand new "Re-Employment Scheme" aimed at tackling migrant laborers and rural floating laborers is as follows:

— Employment of rural migrant laborers will not be permitted for certain types of industries (type A) in Beijing, but allowed in other types of industries (type B) on a controlled basis, on the condition that employment opportunities are available to a prescribed ratio of Beijing's urban workers.

— Further types of industries (type C) can make use of migrant labour, but priority must be given to workers from local urban area and to workers from poor rural areas in the municipality. Jobs which can be filled by the local unemployed and redundant workers shall not be offered to migrant labour.

Moreover, if jobs that are currently occupied by migrant workers can be effectively handled by local redundant workers, the enterprises concerned are required to phase out all migrant workers accordingly. The Municipal Government will also in consideration of the annual employment situation, determine at regular intervals types of industries (including job nature and quotas) that are to be approved for employing migrant and rural laborers.

Beijing Trains To Carry Over 10 Million People

OW2806032395 Beijing XINHUA in English
0302 GMT 28 Jun 95

[FBIS Transcribed Text] Beijing, June 28 (XINHUA)

— The Beijing Railway Bureau is preparing to handle some 10.45 million passengers during the two-month summer holiday season, which begins July 1.

According to the bureau, university and college students will again constitute the bulk of passengers during the summer vacation.

The bureau will operate 13 additional trains and handle 168,000 passengers daily, an increase of 1.2 percent over the same period of last year, to ease the passenger flow pressure, which has been worsened by the new 40-hour work week.

The new work week will also lead to a sharp rise in the number of short-distance tourists in the summer, while the long-distance through-train passengers will amount to 3.95 million, 1.7 percent more than in the same period last year.

At present, local railway employees have gone to sell tickets on the campuses in Beijing and help students with their luggage.

And the stations will start to computerize their ticket sales for major destinations from July in an effort to increase working efficiency.

Construction of the new Beijing railway station, the largest and most costly in China, is now entering its final phase and is expected to enormously expand the passenger-handling capacity.

***Beijing Passes Police Regulation**

95CM0284A Beijing BEIJING QINGNIAN BAO
[BEIJING YOUTH DAILY] in Chinese 15 Apr 95 p 1

[Article by Shen Zhengrong (3088 1513 1539): "Beijing Adopts Police Patrol Regulations and New Controls on Migrant Workers"]

[FBIS Translated Text] The "Beijing People's Police Patrol Regulations" were adopted yesterday by the 16th meeting of the Standing Committee of the 10th Beijing Municipal People's Congress, thus giving the new concept of "patrol policeman" a legal definition. A short while ago, the municipal government had finalized a plan for phasing in people's police patrol work in stages throughout the city. Close-in suburbs and major tourist areas are scheduled to launch the patrol system on 1 May to be followed gradually by the more outlying suburbs and county towns.

With the adoption of the "Beijing People's Police Patrol Regulations", the public will no longer think of the police as "somebody to seek out only when there is trouble." The "Regulations" strictly specify the duties and functions of the patrol police as well as its jurisdiction, discipline, and punishment procedures.

The "Regulations" spell out clearly the duties and functions of the people's police patrol, which are to maintain social order and keep traffic flowing smoothly within the area of patrol on the streets and in squares; protect public facilities and preserve economic management order; keep the city and environment clean and tidy; participate in rescue and relief work when there is an emergency or disaster; receive reports of incidents from citizens; receive lost articles; mediate and stop arguments among private citizens in public places; and render assistance to individuals who are injured or sick and are in urgent need of help.

The "Regulations" grant wide-ranging law enforcement power to the police patrol but also require it to enforce the law impartially the way it is written. They also give society and citizens the power to supervise law enforcement by the police patrol. Moreover, the "Regulations" lay down the procedures for administrative review and filing a lawsuit. When a citizen or legal person disagrees with a coercive measure taken by the people's police department or its personnel or with an administrative penalty decided upon by the people's police department or its personnel, it may request a review or file a lawsuit with the people's court in accordance with the law.

Director Zhang Liangji [1728 5328 1015] of the Beijing Public Security Bureau said that since two detachments of patrol policemen started walking the beat in the Suiwen and Haiding districts on 1 January 1994, the two areas have taken on a brand-new look. For one thing, criminal activities were dealt a heavy blow and thwarted effectively. In 1994, the patrol policemen rounded up 783 assorted criminals, cracked 144 criminal cases, and put 27 crime rings out of business. Second, traffic order has improved appreciably, the city and environment have become distinctly cleaner, and economic management order also has gotten markedly better. Statistically, last year the two detachments of patrol policemen investigated 950,000 cases of law violation and performed more than 400,000 good deeds for the people.

The municipality of Beijing finally unveiled a law yesterday to regulate its out-of-town population.

After almost four months of deliberations and revisions, the "Beijing Regulations To Manage Migrant Workers and Vendors" were adopted by the 16th meeting of the Standing Committee of the 10th Beijing Municipal People's Congress and will take effect on 15 July this year.

The "Regulations" stipulate explicitly that the total number of migrant workers and vendors in Beijing will be restricted. "The municipal government shall impose a cap on the overall size of the migrant population in Beijing based on the needs of the city's urban functions as well as the need of urban construction and economic development; the capacity of the urban infrastructure to handle the population; and the demand for manpower. People's governments in the districts, counties, and townships and neighborhood offices shall take actions to implement the cap and prevent a haphazard inflow of migrants."

Besides the maximum population cap, the temporary residency card and the migrant work permit will become the principal tools of migrant population control. The "Regulations" say: "After arriving in Beijing, a migrant worker or vendor shall register as a temporary resident

with the public security organ in the locality where he is staying temporarily in accordance with residency registration regulations. At the time of registration, he shall present his ID card and other valid documented evidence. Women of child-bearing age shall also present papers testifying to their marital status and fertility status. Migrant workers shall apply for a migrant work permit' from the municipal labor administrative department by producing the temporary residency card and other necessary documents. The migrant work permit allows him to be employed legally in the municipality. No unit or individual shall rent housing or provide a production or business site to a migrant worker without a temporary residency card. The labor administrative department shall not issue him a migrant work permit; nor shall the industry and commerce administrative department issue him a business license."

Regulating the people of Beijing properly is also another way to manage the migrant population. Under the "Regulations," "the municipality shall introduce a permit system for those units and individuals who rent housing to migrant workers and vendors. To be able to rent housing to migrants, a unit or individual is required to obtain a housing leasing permit' from the real estate management department and a security clearance certificate' from the public security organ. Illegal leasing shall be prohibited."

Even as it tightens migrant labor regulation, the new law features a chapter on "services and protection" consisting of a host of provisions to protect the legitimate rights and interests of migrant workers. It says explicitly that "migrant workers are entitled to be compensated for their labor and to rest; and that they shall be able to participate in social security and enjoy social security." The personal safety and property of migrant workers and vendors are protected under the law, as are their other legitimate rights and interests.

Under the "Regulations," migrant workers and vendors refer to those people who do not have permanent residency registration in this municipality but are here temporarily to work, engage in commerce, or offer services in return for wages or business earnings. Professionals from out of town who have been hired to work in Beijing in the fields of science and technology, education, culture, and trade are not covered by these regulations.

There are reports that the Beijing people's government will formulate 13 sets of related regulations to go into effect at the same time as these regulations.

Hebei's Ye Urges Implementing Scientific Spirit
SK2706085795 Shijiazhuang HEBEI RIBAO
in Chinese 13 Jun 95 p 1

[FBIS Translated Text] The provincial people's government held its third plenary session on the afternoon of 12 June to study and relay the spirit of the national conference on science and technology and to make specific arrangements for implementing the "Decision Made by the CPC Central Committee and the State Council With Regard to Accelerating Scientific and Technological Progress" (hereafter referred to as the "decision") and the spirit of the national conference.

Governor Ye Liansong presided over and addressed the plenary session that was participated in by Chen Liyou, executive vice governor of the province; Cong Fukui [0654 4395 1145], Guo Hongqi, Liu Zuotian, and He Shaocun, vice governors of the province; and Wang Zuwu, adviser to the provincial people's government.

During the session, Ye Liansong voiced his opinion on the issue of how to implement the central "decision" and the spirit of the national conference on science and technology. He stated: The national conference on science and technology held at the end of May this year was an important meeting held by the CPC Central Committee and the State Council at the crucial moment of conducting reform, opening up, and socialist modernization in China. The national conference will promote the new emancipation and great development of scientific and technological productive forces in China and will become the third milestone for the development of scientific and technological undertakings in China. The principle clearly put forward at the national conference on science and technology with regard to enforcing the strategy of "having science and technology make the country prosperous" will maximize expediting the smooth realization of the three-steps strategic targets of modernizing the country. The national conference has reflected the attention and concern shown by the CPC Central Committee and the State Council for science and technology, imposed burdens on party committees and governments at all levels, and has assigned new duties to them.

Ye Liansong pointed out: The key to implementing the "decision" and the spirit of the national conference on science and technology lies in earnestly formulating and enforcing the strategy of "having science and technology make Hebei prosperous" and in truly orienting the economic construction onto the track of relying on scientific and technological progress and of upgrading the quality of laborers so as to accelerate the pace in building Hebei into a strong economic province. He urged leadership at all levels and various departments

to firmly foster the sense of "having science and technology make Hebei prosperous" and of building Hebei into a strong economic province and to establish or improve the mechanism of making scientific and technological progress to accelerate the work to turn the scientific and technological results into practical productive forces. He also urged them to rely on scientific and technological progress to upgrade, in an overall way, the quality and benefit of economic growth, to further implement the strategy of giving priority to developing education, and to accelerate the pace of building Hebei into a strong educational province.

He stated: The key to implementing the spirit of the national conference on science and technology lies in successfully grasping implementation. First, we should fulfill the spirit of the national conference to the current task of readjusting the industrial structure. Second, we should do a good job in formulating the "Ninth Five-Year Plan" and plans for various industries and trades. Various relevant departments and units should organize their forces to vigorously carry out investigation and study on specific problems and make well prepared for the provincial scientific and technological conference that will be held in September this year.

Liu Zuotian also addressed the plenary session. He stated: In order to implement the "decision" and the spirit of the national conference on science and technology, the provincial party committee and the provincial people's government have decided to launch the extensive activities of investigation and study throughout the province. Subjects provided for investigation and study include the following 11 aspects: 1) Efforts should be made to implement the thinking of science and technology being the first productive force. 2) Efforts should be made to vigorously expedite scientific and technological progress in agriculture and in rural areas. 3) Efforts should be made to rely on scientific and technological progress to upgrade the quality and benefit of industrial growth. 4) Efforts should be made to develop high-and-new tech industries. 5) Efforts should be made to expedite the scientific and technological progress in the fields of social development. 6) Efforts should be made to enhance the research with basic characters. 7) Efforts should be made to accelerate the pace in turning scientific and technological results into productive forces. 8) Efforts should be made to continuously deepen the reform in scientific and technological systems. 9) Efforts should be made to enhance the construction of the contingent of scientific and technological personnel. 10) Efforts should be made to increase the input in science and technology through multiple channels and at multiple levels. 11) Efforts should be made to further broaden

the international cooperation and exchanges in science and technology.

Wang Shaokui, chairman of the provincial science and technology commission, described the general situation of the national conference on science and technology at the plenary session and briefly informed the participants of the main guidelines of the national conference.

Hebei Issues Communiqué on Environment

*SK2706011995 Shijiazhuang HEBEI RIBAO
in Chinese 3 Jun 95 p 2*

[Report by Han Xianjun (7281 3807 6511): "The Situation in the Environment Is Relatively Stable, the Environmental Pollution Is Still Developing"]

[FBIS Translated Text] The provincial environmental protection bureau issued a "communiqué on Hebei's 1994 environmental situation" at the provincial environmental protection work conference on 2 June. The "communiqué" showed that despite the high economic development rate last year, Hebei's environmental situation remained relatively stable, and the pollution in large- and medium-sized cities was put under control and was improved in some areas. However, the pollution by organic waste water, smoke, motor vehicle exhaust gas, and urban noise was still on the rise; and the damage on the ecological environment and the pollution caused by township enterprises were continuously expanding. In addition, insufficient investment in the environmental protection and a large amount of work that should have been done in the past made the environmental protection work fall notably behind economic development. Therefore, the situation remained very grim.

Judging from the atmospheric environment, smoke was still a source of pollution, which was more serious during the heating period than during the nonheating period. The volume of waste gas discharged throughout the province in 1994 totaled 743.7 billion standard cubic meters (excluding that discharged by township enterprises), up 6.1 percent from the preceding year. Compared with 1993, the urban air pollution by sulfur dioxide, suspended particles, and nitric oxide increased, and dust declined. Among the 11 cities being monitored, eight exceeded the state-stipulated standard for sulfur dioxide, 10 exceeded the state-stipulated standard for total suspended particles, and six exceeded state-stipulated standard for dust.

Judging from the water environment, the volume of waste water discharged throughout the province totaled 1.19 billion tonnes, down 1.0 percent from the preceding year. Six major river systems and 35 rivers along the coast suffered pollution to various extents, and the

pollution was aggravated. The quality of most urban underground water was fairly good. In some cities, underground water exceeded the established standards for total hardness and fluoride, and was overextracted to a serious extent. The pollution of urban surface water was different from city to city. Qinhuangdao and Dezhou cities saw relatively light pollution; Cangzhou, Hengshui, and Xingtai cities suffered rather serious pollution; and water quality of the Shijin Canal was improved. Most of the 16 reservoirs monitored suffered light pollution. In the nine cities monitored, five exceeded the state-stipulated standard for noise.

In 1994, the 645,000 township enterprises throughout Hebei discharged 400 million tonnes of waste water and 180 billion standard cubic meters of waste gas.

Hebei generated 60.05 million tonnes of industrial residue in 1994, down 3.4 percent from the preceding year.

The ecological environment was damaged to a serious extent, with 6,978,600 hectares of land suffering soil erosion, showing some increase over the preceding year.

In 1994, 93 environmental pollution incidents occurred throughout Hebei, and 81.8 hectares of farmland were damaged, and 100.1 hectares of fish-farming ponds polluted, resulting in a direct economic loss of 8.2 million yuan. Compensation and fines paid for the pollution incidents totaled 890,000 yuan.

Hebei did plenty of work and achieved notable results in environmental protection in 1994. Its environmental pollution control ability was further improved. Direct investment in industrial pollution control total 797 million yuan, an increase of 197 million yuan over the preceding year. Hebei's waste water treatment capacity rose by 710,000 tonnes per day, waste gas treatment capacity by 8.36 million standard cubic meters per hour, and industrial residue treatment capacity by 3.08 million tonnes a year. The overall capacity for treating waste water, waste gas, and industrial residue showed improvement as compared with the preceding year. The volume of waste water generated in the process of producing 10,000 yuan of output value dropped from 108 tonnes in 1993 to 98 tonnes in 1994. The output value and profits of the products produced by using waste water, waste gas, and industrial residue came to 750 million yuan and 230 million yuan, respectively.

Key environmental protection projects proceeded smoothly. The Baiyangdian pollution control project progressed according to the provincial government's requirements, 13 pollution control projects assigned by the provincial government were by and large completed on schedule, the project to change the river course in

the Zhaozhou Bridge in Shijiazhuang was completed, and the construction of the "smoke- and dust-free provincial-level demonstration administrative centers" started.

With the establishment of the Hebei Provincial Nature Protection Coordination Leading Group and the provincial-level Hongsongwa grassland protection zone, the provincial government added impetus to the ecological environmental protection work. Hebei afforested 449,600 hectares of land last year, of which 128,900 hectares were windbreaks and forests around sand dunes, which played a positive role in improving the ecological environment.

We increased efforts in the environmental control and law enforcement for environmental protection. We promulgated the "Hebei provincial environmental protection regulation" and printed and distributed the "interim methods of Hebei Province for the management of township enterprises' environmental protection," thus leading Hebei's legislation for environmental protection to a new stage. Environmental protection facilities were designed, built, and put into operation simultaneously when all the large- and medium- sized projects were designed, built, and put into operation. In total, 113 million yuan of pollution discharge fees was collected.

Publicity and education on environmental protection were promoted to a new height. Last year, 728 publicity activities, 794 special programs, and 315 training classes on environmental protection were held throughout the province, and 5,307 primary and middle schools conducted education on environmental protection.

Science and technology related to environmental protection witnessed new development. Hebei awarded 13 projects for scientific and technological progress related to environmental protection and nine projects for scientific and technological progress related to energy conservation and utilization.

Cooperation and exchanges with other countries in environmental protection were continuously strengthened. Tangshan and Chengde cities' projects and the provincial environmental information center undertaken with the World Bank loans were being implemented; and Xingtai city's urban sewage treatment project built with the Australian loans was listed in the State Planning Commission's 1995 plan for loans. The foreign-funded "environmental protection project office" built by the Hengshui Prefectural Environmental Protection Bureau made certain headway.

Hebei Holds Enterprise Mobilization Meeting

SK2806041095 Shijiazhuang HEBEI RIBAO
in Chinese 12 Jun 95 p 1

[By reporter Wang Ning (3769 1337) and Wang Chunhai (3769 2504 31289): "In Accelerating the Implementation of the Strategy of Developing Large Companies and Large Groups, Enterprises Should Play a Dominant Role and Entrepreneurs Play a Key Role"]

[FBIS Translated Text] The three-day provincial meeting on mobilizing superior industrial enterprises to implement the plan on carrying out the project of "raising the efficiency of structural optimization, the efficiency of scale management and the efficiency of scientific and technological progress, and accelerate enterprise development" ended in Shijiazhuang city on the morning of 10 June. The meeting proposed: While implementing the strategy on developing large enterprises and large groups, which is the aforementioned project, enterprises should play a dominant role and entrepreneurs with courage and insight should play a key role in creating famous brands, striving to create top-grade work, and grasping scale management.

During the meeting, at the invitation of the provincial party committee and the provincial government, Gao Jingde, chairman of the bureau of board directors of Hong Kong Sun Hung Kai International Group Company, Limited, and president of the company; and Chen Quansheng, deputy director of the enterprises department of the State Economic and Trade Commission, respectively made special reports on how to accelerate Hebei Province's opening up and how to organize and develop enterprise groups; Xuan Zhongguang, president of Yangzi Group, and Dong Musen, deputy manager of Chunlan Group, introduced their experiences in rapidly developing the enterprise groups, which made over 400 attendees broaden their fields of vision and thinking.

In order to further promote the deepening of the learn-from Haomen campaign on the provincial industrial front and the implementation of the project and to mobilize the enthusiasm of all enterprises to grasp the strong items, create famous brands, and strive to create top-grade work, the provincial government commended 27 advanced enterprises, including Baoshi Electronics Company, and 14 advanced individuals, such as Liu Kezhong, that did a good job in learning from Haomen Group Company at the meeting. Haomen Group Company, which achieved new development, also received a special award.

The meeting participants conscientiously discussed the ideas of the provincial party committee and the provincial government on implementing the project among su-

perior industrial enterprises, the policies of the provincial government on encouraging superior industrial enterprises to implement this project, the explanation on selecting enterprises to carry out this project, the namelist of enterprises for implementing this project, and the methods for appraising, awarding, and punishing enterprises in carrying out the project.

At the end of the meeting, Cheng Weigao, secretary of the provincial party committee, offered important views for successfully carrying out the work of building large companies and large groups. He said: Through this meeting, we have enhanced spirit, unified thinking, clarified the guiding ideology on developing large companies and large groups. After this meeting, we should formulate plans for implementing this project in a down-to-earth manner.

Cheng Weigao stressed: Whether an enterprise can become a large enterprise or a large group or not depends on whether the enterprise responsible persons have good quality or not. First, they must have a strong desire to carry out undertakings and to turn the undertakings into a success. They must also have the strong desire to develop national industries and to regenerate the Chinese nation. People who have no desire to work, but only have personal desire, cannot become entrepreneurs of large companies and large groups. Second, they must have the courage to do big undertakings. People who are satisfied with the present situation and small achievements and have no courage to take risks cannot become entrepreneurs of large companies and large groups. Third, they must be proficient in making policy decisions and have ability to make major policy decisions by seizing the market opportunity. People who fail to analyze the economic environment, study economic policies, conduct market analysis and forecast, seize the opportunity, and make correct judgment and policy decisions for enterprise development cannot become entrepreneurs of large companies and large groups. Fourth, they must have courage to contend with other enterprises and the determination to win victory during competition. People who want to enter the market but dare not participate in competition, who intend to join the competition but fail to have determination and confidence in winning victory during competition cannot become entrepreneurs of large companies and large groups. Fifth, they must have the spirit of working hard, engaging in arduous struggle, and making dedication and sacrifices. People who are not willing to suffer hardships, to work hard, and to resist evil practices and stand pressures from all aspects, and who can easily be frightened and forced to retreat by difficulties also cannot become entrepreneurs of large companies and large groups.

In short, entrepreneurs of a large company or a large group must have accomplishment in five aspects, namely: consciousness, courage, ability, determination, and spirit. Without these five, it is impossible to successfully run an enterprise or to develop it into a bigger one. The experiences of the Yangzi Group and Chunlan Group show that the key to making an enterprise grow and become stronger is to have an entrepreneur with courage and insight.

Cheng Weigao pointed out: To establish a big company or a big group, first of all, we must create famous brands, grasp competitive products, and strive to create top-grade work. Without famous brands, it is impossible for enterprises to upgrade their scale or to talk about economic efficiency. Only by creating famous brands, enabling products to meet the needs of consumers at different layers, and producing products of good quality but cheap prices, can we have the ability to compete with others on the market and develop the management scale. As far as most of our enterprises are concerned, in creating large companies and large groups, they should give priority to transforming and upgrading the traditional industries while developing high and new technology, change roughly processed products into precision products and semi-processed products into intensively processed products, and strive to raise the technology of traditional industries and to upgrade their products. It is necessary to realistically change mechanisms, promote technological advances, do a good job in internal management, and strengthen the training of personnel.

Cheng Weigao said: In the process of organizing and establishing large companies and large groups, we must pay attention to achieving breakthroughs in four aspects: First, we must break with the single-product management and form a pattern of letting one industry play a dominant role while developing other industries and carrying out comprehensive management of science, industry, foreign trade, and banking. Second, we should break with regional barriers and achieve optimum organization of the essential production factors outside the province and the territory. Third, we should achieve breakthroughs in the management of assets. Fourth, we should achieve breakthroughs in opening to the outside world. Particularly, we should coordinate the use of international financial capital and Hebei Province's industrial capital and do a good job in introducing foreign technology and funds for transforming state-owned large and medium-sized enterprises. He said: Whether these large companies and large groups can grow or not depends on whether the governments at all levels can realistically change their functions and create a good development condition for them or not.

In his speech, Governor Ye Liansong pointed out: Economic development of the present world has the following characteristics: All developed countries have several large companies and groups to represent their economic strength and comprehensive national strength; high and new technologies are being industrialized; new industrial groups are rising unceasingly; the economy marching towards the 21st century is developing towards the orientation of high and new technology and comprehensiveness and of serving the regions and the world. Judging from the domestic situation, reform and opening up are being promoted in range and depth, and the domestic economy will surely be linked with the international economy. To practice the market economy, we must have competition and must rely on a great batch of large enterprises and large groups to participate in the competition. Our purpose of selecting 100 superior enterprises to carry out the project of "raising the efficiency of structural optimization, the efficiency of scale management and the efficiency of scientific and technological progress and accelerating enterprise development" is to make these potential enterprises become large companies and large groups with specific competitive strength in the world and become "aircraft carriers" that can stand the battering of storms in the market through five years of efforts, in accordance with the domestic and foreign economic situation and our province's present industrial development situation.

Ye Liansong stressed: Enterprises should play a main role in implementing this project. It is necessary to strengthen the inherent vigor and vitality of enterprises, carry out big undertakings, and seek big development. Enterprises should make unremitting efforts, work hard, seek extraordinary development, achieve an optimum distribution of resources, and make breakthroughs in key areas. We should break with the practice of mainly giving consideration to oneself, neglect the interest of the part and even personal gain or loss and boldly and conscientiously carry out things that are conducive to development. We should improve technology to produce competitive products, raise funds by adopting the method of conducting reform and opening up, and to maintain and increase the value of state-owned assets by transforming them with advanced technology and funds from abroad.

Provincial leaders also attending the meeting on 10 June were Li Zhanshu, Ning Quanfu, Cong Fukui, Guo Shichang, Liu Zuotian, and Zhao Yan.

Hebei Begins 'Modern Enterprise System Reform'*OW2806092195 Beijing XINHUA in English
0640 GMT 28 Jun 95*

[FBIS Transcribed Text] Shijiazhuang, June 28 (XINHUA) — North China's Hebei Province has started the implementation of modern enterprise system reform, with the country's second-biggest transformer producer becoming a limited liability company.

The Baoding Transformer Plant, which was founded in 1958, is one of the 100 state-owned enterprises chosen to experiment with modern enterprise system reform. Last Saturday [24 June] the company formally changed its name to the Baoding Tianwei Group Ltd.

A spokesman for Tianwei, which is based in Baoding City, said that the 770 million yuan-worth company, with transformers as its main products, has five holding companies, three companies it holds minority stakes in and two cooperative companies.

A board of directors, supervision committee and management group have been established in this group company, with the state as the sole investor.

One of the major moves the group will make is to use the international accounting system, said the spokesman.

He added that the group will target the export market in its sales strategy. Its products enjoy brisk sales domestically and are also sold in more than 30 countries and regions.

Inner Mongolia Chairman on Market Economy*SK2706054395 Hohhot NEIMENGGU RIBAO
in Chinese 7 Jun 95 p 3*

[Article by Wu Liji, chairman of the Inner Mongolia Regional Government: "Enhance Awareness of Opportunities in Developing the Market Economy"]

[FBIS Translated Text] Reform, opening up, and a shift in the state economic development strategy to the west is a very rare historical opportunity for accelerating Inner Mongolia's development. Therefore, we must enhance awareness of this opportunity, consciously combine the local economic development with the central authorities' macroeconomic regulation and control and the strategic layout, and study and define an economic development way that conforms to Inner Mongolia's reality in accordance with the market economic law.

1. To seek development, we must seize the opportunity.

Since reform and opening up, particularly since 1988, Inner Mongolia's power industry has passed the low ebb and begun to pick up and to develop tremendously. The

big development of power industry has not only solved the problem of the sales of 20 million tonnes of coal in the Inner Mongolia Region, but has also provided sufficient energy for the region's economic development. The most fundamental reason for such good achievements in the power industry is that we have seized the opportunity in a better manner, firmly seized the opportunity of reform, opening up, and the shifting of the state's energy construction priority to the west; seized the opportunity of the serious shortage of electricity in north China Region; and seized the opportunity of implementing the region's resources transformation strategy. Based on this opportunity, we have fully used the party's reform and open policy as well as the region's resources and geological advantages, advanced on the crest of victory, invited business and introduced capital, vigorously ran power undertakings, lost no time in developing power markets outside the region and in foreign countries, occupied a place in the country's economic development layout, and promoted the rapid development of Inner Mongolia's building of power bases.

2. To seize opportunity, we must have "insight."

It is difficult to come upon an opportunity and it is still more difficult to seize it. According to our experience, to seize the opportunity, we must arm our minds with the theory on building socialism with Chinese characteristics, emancipate thinking, change concepts, free ourselves from wrong understanding, and cultivate three kinds of consciousness: First, we should free ourselves from the wrong understanding of "close management," and cultivate a consciousness of opening up. This means that we should use opening up to promote development, and while considering about the development of power industry, discard the old concept of doing things in line with the amount of money given by the state. We should borrow money to run power undertakings and manage them even though we fall into debts. It is necessary to break with regional blockade, widen the field of vision, broaden thinking, keep eyes not only on the locality but also on the country's overall economic pattern and the big market, and therefore, search for development space and seize the development opportunity. Second, we should cultivate the consciousness that electricity is a commodity, manage things in line with the rules on demands and supply, on competition, and on value, and unceasingly expand the power production scale and capacity. Third, we should free ourselves from the wrong understanding that "power industry should be run by the state, so we need not have to worry about it," and cultivate the consciousness of competition. Electricity is a commodity in short supply. However, along with the development of more power enterprises and the formation of the trans-provincial and trans-regional big power

grid, and guided by the state industrial structural readjustment and the implementation of the special investment policies, a power market competition situation has been formed and become increasingly acute. Particularly, many strong opponents have emerged in the north China power market. If we fail to be the first to sign agreements on jointly and cooperatively running power undertakings with Beijing and the Ministry of Power Industry and to sign agreements on supplying electricity to the capital of Beijing, the market will be occupied by other people. The market is not permanent. It is dynamic and is always moving in the course of competition.

3. To seize the opportunity, we must have "courage."

To seize the development opportunity, we must have not only insight but also courage. For example, at the initial stage when we made up our mind to build a power base in Inner Mongolia, we faced numerous unbearable difficulties and pressures. The first problem is funds. More than 10 billion yuan in funds is required in building a commodity power base. Inner Mongolia does not have this financial capacity. Where can we get the money? The second problem is time. Power construction takes place over a long period, and factors affecting the construction progress are numerous. What should we do if the power generating units delay production and changes take place in the market? The third problem is management. Power production requires intensive technology, strong systems, and a high degree of automation. Can we keep up with management after accelerating development and what should we do if safe and stable power generation and supply cannot be guaranteed?

The fourth problem is efficiency. Power industry is the country's basic industry and the electricity price is regulated and controlled by the country's relevant departments. Is running the power industry profitable? How efficient will it be? Whether we can fear no difficulties, withstand the pressure and firmly seize the excellent opportunity favorable for power development or not is determined by whether we have the spirit of daring to think, to do, to blaze new trails, and to take risks or not. The reason for our success in "making decision promptly" while facing with opportunity, taking the lead in signing the "input-output" contracts among the country's power enterprises, developing trans-provincial and trans-regional associations in running power industry, developing cooperative, joint-investment, and share-holding power enterprises, and running power enterprises even though we may run into debts is that we have this spirit and the courage to do it. The biggest difference between the market economy and the planned

economy is that the market economy mainly relies on the market to regulate and allocate resources, development has to rely on the market, market has to rely on competition, and competition needs to take risks. In order to dissolve risks, we have defined the essential principle of persisting in taking safety first, economic efficiency as the central task and development, keeping the overall situation in mind while conducting reform and opening up, upholding the guiding ideology of grasping the building of the two civilizations, overcoming numerous difficulties on the road of advance, and resolving the problems of funds and equipment, construction rate, production and management, operation, and efficiency, and have basically realized the goal of developing power industry in a snowballing manner and achieved a well-rounded cycle.

4. It is impossible to seize opportunities permanently.

We should seize the development opportunity and open up a path for implementing the strategy of turning coal into electricity, and turning the advantages of resources into economic advantages. But the market economy is a competitive economy, and the market is fast changing. When we seize an opportunity, it does not mean that we can control it forever. Therefore, it is impossible to permanently grasp it. Along with the acceleration of the rate of building the power industrial base in Inner Mongolia, the installed capacity is increasing and the degree of automation is rising. The raising of funds, construction management, the operation of the power generating units, the rise in the prices of raw materials, the unavailability of money from electricity fees for repaying capital and interest have remained important factors restricting our development. This requires our unceasing efforts to strengthen the awareness of opportunity, enhance the sense of urgency and crisis, try by all possible means to manage our work well, keep the agreements, pay attention to prestige, accelerate the building of a power base in Inner Mongolia, and firmly occupy north China's market with sufficient, stable, economical, and reliable power supply.

Inner Mongolia Secretary Inspects League

SK2706064395 Hohhot NEIMENGGU RIBAO
in Chinese 5 Jun 95 p 1

[FBIS Translated Excerpt] During his recent inspection tour of Xingan League, Comrade Liu Mingzu, secretary of the regional party committee, stressed: When extensively and penetratingly launching the learn-from-Kong Fansen activities, we should mainly strengthen cadres' concept on wholeheartedly serving the people and encourage cadres to seize the current opportunity and uti-

lize advantages to accelerate development and beef up the economy, with the improvement in people's living standards as the starting point and essential goal.

From 27 May to 1 June, Liu Mingzu, secretary of the regional party committee, and Han Maohua, secretary general of the regional party committee, conducted a six-day investigation and study in Xingan League. They went to Jalaid Banner, Horqin Right Wing Middle Banner, Tuquan County, Horqin Right Wing Front Banner, and Ulan Hot city one after another; travelled over 1,000 km to go deep into 16 villages and gachas, 17 state-owned, township and town, and Sino-foreign joint venture enterprises, and 2 schools; and visited 10-odd peasant and herdsman households. They listened to the reports on the work of various banners, counties, and cities and talked with cadres and the masses at the grass-roots level to learn about the situation in the current industrial, agricultural, and livestock production and the people's livelihood. In Jalaid Banner, they went to "Beiba Township," a well-known poverty-stricken area where minority nationalities live in compact communities. In this township, they visited some poverty-stricken households, inquired them about their production and living conditions, and discussed with them on how to cast off poverty and become prosperous. At Hejiaai neighborhood in Wushun gacha in Xiriga sumu of Horqin Right Wing Middle Banner, they eagerly viewed the new herdsman's village that completed the relatively well-off project. Having heard that two poverty-stricken households have not yet moved to new houses, they demanded that those who became prosperous first should not neglect others, but help them instead. [passage omitted] During his inspection tour of Xingan League, Comrade Liu Mingzu studied with local cadres and masses on the major problems crying for solution in the current reform and development, mapped out methods to resolve these problems, and expressed many important opinions. On the afternoon of 1 June, he made an important speech after hearing the work report of the Xingan League Party Committee.

After fully affirming the achievements of Xingan League, Liu Mingzu said: Since the organizational system of Xingan League was restored 16 years ago, economic construction and all undertakings have developed rapidly. The league party committee's guiding ideology for the future work has been definite, and the measures adopted by the committee been positive and feasible. With abundant natural resources, superior conditions for developing agriculture and animal husbandry, and great potential, Xingan League is extremely bright in prospects for development. It should continuously deepen the understanding of its situation and its development advantages and should turn natural

resources advantages to economic advantages to further accelerate development.

Liu Mingzu pointed out: Extensively and penetratingly launching the learn-from-Kong Fansen activities among cadres at all levels in the region, leading cadres at or above the banner and county levels in particular, is a major task grasped by the regional party committee recently. In learning from Kong Fansen, we should focus on handling well two issues: First, we should handle well the issue on cadres' wholehearted service to the masses by encouraging all cadres to consider the well-being and happiness of the masses as the well-being and happiness of their own, to regard it their sacred duties to tackle difficulties for the people and bring benefit to the people, to actually change work style, to lead the masses to develop production, and to help the masses resolve problems. Second, we should handle well the issue on cadres' administrative diligence and honesty by strengthening the building of leading organs and leading bodies at or above the county level and promoting all items of work. The success in these two issues should be finally manifested in the accelerated economic development and the improved living standards of the people.

Liu Mingzu pointed out: When viewed from the situation of the region and Xingan League, now is the key period of development. To fulfill the two major historical tasks and narrow the gaps between the region and the whole country by the end of this century, we must accelerate development. Cadres at all levels in the region must regard the improved living standards of urban and rural residents as the fundamental fighting goal. This must be firmly grasped. We should make a comprehensive and correct analysis of favorable conditions and unfavorable factors for accelerating development, should integrate the emancipation of the mind with the seeking of truth from facts, and should integrate growth rate with economic efficiency. In terms of growth rate, we must persist in the principle of suiting measures to local conditions and proceeding from realities. The localities with the condition to accelerate development should accelerate as far as possible; while those without the condition for the time being should positively create conditions to accelerate development. The guiding principles that development is the last word and development should be accelerated as far as possible should be actually implemented to all items of work.

With regard to the priorities for the current economic work, Liu Mingzu stressed the necessity of grasping five aspects of work well. First, we should make reasonable plans and take advantage of vast farmlands and pasturelands to promote the all-round development of agriculture and animal husbandry. There are many wastelands

that can be developed and are suitable for farming in the region. This is the region's major potential to develop agriculture. However, land development must be conducted under the premise of preventing grasslands from becoming sandy and be conducted in a planned way. In this aspect, we should be far-sighted and should never wantonly reclaim and develop wastelands without plans and restrictions by giving consideration only to immediate interests. The cultivated land that has been reclaimed wantonly by destroying grasslands should be resolutely reversed to forests, grasslands, and pasturelands. In this aspect, our attitude must be resolute, and measures be rigid. The efforts to increase grain output should focus on transforming medium- and low-yield farmlands and on increasing the per unit yield of existing farmlands. We should protect and build well grasslands, raise the utilization rate of grasslands, and accelerate the development pace of grasslands and animal husbandry. At the same time, following the path of combining agriculture with animal husbandry, we should make full use of crop straws and develop breeding in agricultural areas. We should go all out to develop and utilize water resources. In addition to engaging in farmland irrigation, we should energetically develop the water surface breeding industry and raise the comprehensive efficiency of water resources. We should spread the method of interplanting forest, grain, and other cash crops in suitable localities. This method can not only raise the economic efficiency of afforestation, but also increase grain output, prevent desertification, and improve ecological environment.

Second, we should vigorously develop township and town enterprises in line with local conditions. We should conscientiously implement the guidelines of the regional working conference on township and town enterprises and give priority to developing township and town enterprises. Developing township and town enterprises is not only an important measure to increase peasants' income and develop the rural economy, but also an important way to strengthen the collective sector of the economy. We should encourage townships, villages, families, and combined households to run enterprises altogether. In particular, some waste mountains, water areas, and plots suitable for development should be developed by collectives and be contracted to households for management in order to increase the accumulation of collectives and strengthen the collective sector of the economy.

Third, we should regard the accelerated development of the tertiary industry as a major measure to raise the urban employment rate, to increase the income of urban residents, and to resolve local financial difficulties. Now, there are still some difficult households with low income in various localities. Party committees and gov-

ernments at all levels must pay attention to supporting these households. We should organize forces to conduct investigation and then give support to low-income households through special policies. In addition to provide parity priced grain to such households, we should, more importantly, create employment conditions and increase employment opportunities for them. If a poverty-stricken household is provided with one more job, it will be able to cast off poverty. Because the tertiary industry needs less investment, yields rapid return, and can accommodate more labor forces, developing the tertiary industry is the best way to improve the average living standards of urban residents.

Fourth, we should increase the dynamics in opening to the outside world and use foreign forces to develop ourselves. In developing the projects involving foreign investment, we should not only utilize the overseas funds and technology but also domestic funds and technology. Experience proves that linking small enterprises with large enterprises and scientific research institutes is a shortcut to extricate small enterprises from difficulties and to accelerate their development. All units with conditions should try every possible means to link themselves with, depend on, and associate with large enterprises and scientific research institutes to rapidly develop themselves with their local natural resources.

Fifth, we should depend on science and technology to develop the economy. Recently, the national scientific and technological congress was held by central authorities. We should seize this congress as the opportunity to promote the implementation of the strategy on invigorating industry, agriculture, and animal husbandry through science and technology. In developing agriculture and animal husbandry, we should concentrate energy on spreading the application of ripe and advanced agricultural and animal husbandry technologies. In developing industry, we should increase the dynamics of technological transformation and positively select key industrial production technology to improve the quality and grade of products. We should fully release the energies of all scientific research institutes, institutions of higher learning, and the vast numbers of scientific and technological personnel; combine them with production; and develop the economy in the future mainly by depending on scientific and technological progress and improving the speed and efficiency of economic growth so that we can promote the all-round development of the economy and society.

Tianjin Maintains Sound Economic Trend

SK2706071495 Tianjin TIANJIN RIBAO in Chinese
6 Jun 95 pp 1, 2

[FBIS Translated Text] Since the beginning of 1995, the municipality has made an earlier start in doing the economic work and carried out various economic tasks at a faster speed and in a firm manner. A good situation has been created, and a faster economic development trend has been maintained. The requirements for fulfilling the major economic assessment targets have been attained or surpassed.

Total supply and total demand in the economy continued to increase rapidly. In the first quarter of this year, the gross domestic product came to 20.8 billion yuan, up 13.4 percent when calculated in terms of comparable prices, up 1 percentage point over the same period of last year, and 11.2 percent higher than the national growth rate. The added value of the primary industry was 390 million yuan, up 6.7 percent; that of the secondary industry was 13.33 billion yuan, up 12.7 percent; and that of the tertiary industry was 7.08 billion yuan, up 15.4 percent. Of this, the added value of catering, financial and insurance, and real estate trades increased by 14.9 percent, 14.2 percent, and 43.1 percent respectively.

Agricultural production developed steadily. Agriculture's role as the foundation of the national economy was strengthened. The situation in summer grain production was better than that of the previous year. Some 2.05 million mu of winter wheat were sown, up 320,000 mu over the previous year. With spring wheat included, 2.12 million mu of summer grain were sown this year, up 18.4 percent over the previous year. Now, wheat is growing well. The total summer grain output is expected to reach 1.3 billion jin, up 20 percent over the previous year. Spring sowing and preparations for ploughing and sowing progressed smoothly. Supply and demand of agricultural production means were roughly balanced. Agricultural production means basically met the demands. More than 400 million cubic meters of water for farm work use were retained, an increase of more than 100 percent over the previous year. New achievements were made in developing the "vegetable basket" project. The output of major foodstuffs increased by a big margin.

Industrial production continued to increase rapidly. Output and sales of industrial products noticeably increased. In the first five months of this year, the output value of the industries at or above the township level came to 43.731 billion yuan, up 15.7 percent; and the marketing rate of their products reached 97.69 percent, higher than the national level of 94.7 percent.

Investment in fixed assets increased by a big margin. The investment structure continued to improve. In the first four months of this year, the state-owned units across the municipality invested 3.86 billion yuan, up 38.3 percent. Of this, the units owned by the central authorities and other provinces and municipalities invested 1.277 billion yuan, up 86.4 percent; and localities invested 2.579 billion yuan, up 22.6 percent. The municipality's construction areas reached 10.991 million square meters, up 13.2 percent. Of this, 7.091 million square meters were housing areas, up 3.1 percent. A total of 614,000 square meters of construction areas were completed up 46.9 percent, including 422,000 square meters of houses, an increase of 6.8 percent.

The export volume of foreign trade steadily increased. The scale of using foreign exchange expanded. In the first four months of this year, the municipality's foreign trade export volume reached \$982 million, an increase of 28.6 percent. Through efforts made by all fronts of the municipality in the first quarter of this year, the municipality used \$494 million in foreign capital, an increase of 42.1 percent, and the increase rate was higher than the national average. Of this, \$151 million foreign capital were loans, an increase of 56.7 percent; and \$343 million in foreign investment was assimilated, up 36.6 percent. Agreements on building 401 foreign-funded enterprises of "three types" were signed, involving \$1.002 billion in foreign capital and showing an increase of 1.3 percent.

Markets for consumer goods were brisk, and goods prices fell. In the first four months of this year, the volume of retail sales of consumer goods came to 11.615 billion yuan, up 29.6 percent. When price factors were deducted, the real increase was 15.4 percent. Prices for food, clothing, daily necessities, and fuel comprehensively rose. The purchasing and marketing of key commodities, such as grain, oil, pork, and sugar, were stable; there was ample supply of these commodities; and more commodities of such kinds were kept in stock. In the first four months of this year, residents' consumption prices rose by 18.1 percent, a drop of 7.2 percentage points from the previous year. Commodity retail sale prices rose by 12.3 percent, seeing a drop of 3.3 percentage points and maintaining a low level in the country's 35 large and medium-sized cities.

The new coastal zone rapidly developed its economy. In the first quarter of this year, the zone's gross domestic product came to 4.433 billion yuan, up 22 percent over the same period of last year when calculated in terms of comparable items and up 8.6 percentage points over the municipality's average growth rate. Particularly, the development zone continued to maintain a vigorous

development trend. In the first quarter of this year, the development zone's gross domestic product came to 1.281 billion yuan, up 57.4 percent. In the first four months of this year, this zone's total industrial output value reached 4.727 billion yuan, up 43.5 percent. Its foreign capital export value came to \$207 million, an increase of 85.3 percent. The new coastal zone is going to be the municipality's new economic growth point.

Revenues increased. The banking situation was stable. In the first five months of this year, the municipality's revenues reached 4.436 billion yuan, accounting for 41.5 percent of the annual target and showing an increase of 25 percent. Local taxes, such as business taxes, income taxes of foreign-invested enterprises and foreign enterprises, and individual income taxes, increased by a big margin and respectively rose by 46.5 percent, 122 percent, and 71.7 percent. In the first four months of this year, the savings deposits of the banking departments of various categories in the municipality increased by 6.961 billion yuan. As of the end of April, residents' savings deposits increased by 3.566 billion yuan. Bank loans of various categories increased by 3.905 billion yuan, an increase of 575 million yuan over the same period of last year. A total of 713 million yuan in currency were withdrawn from circulation.

Urban and rural residents' income continued to increase. In the first four months of this year, the per capita wages of the staff and workers of the municipality was 1,773 yuan, up 29.6 percent over the same period of last year. When price factors were deducted, the real increase was 9.7 percent. Urbanites' spendable incomes reached 1,437.2 yuan, an increase of 29 percent over the same period of last year. When price factors were deducted, the real increase was 9.2 percent.

The above situation showed that since the beginning of this year, the economic operation situation of the municipality has generally been good, thus laying a foundation for ensuring a fast and sound economic development trend in 1995.

Northeast Region

Heilongjiang Inspected Regarding Laid-Off Workers

SK2806055895 Harbin Heilongjiang People's Radio Network in Mandarin 1000 GMT 27 Jun 95

[FBIS Translated Text] The inspection group from the Women and Youth Committee and the Law Committee of the National Committee of the Chinese People's Political Consultative Conference [CPPCC] heard reports on the placement of laid-off women workers in Heilongjiang given by the provincial government and relevant departments. On behalf of the provincial gov-

ernment, Vice Governor Yang Zhihai welcomed the inspection group, saying that the inspection conducted by leaders of the national CPPCC committee on how Heilongjiang's large and medium-sized state-owned enterprises had laid off and placed women workers represented the great importance attached to Heilongjiang's employment of staff members and workers and also a great motivation for Heilongjiang to achieve greater success in this work.

Yang Zhihai said: As an old industrial base, Heilongjiang has a large number of state-owned enterprises and a large contingent of staff members and workers. This plus the rather sluggish economic development in the past few years has posed a problem to coal and forest industry enterprises in the reemployment of their staff members and workers, male and female. Heilongjiang formulated a new idea for economic development last year, bringing about a favorable turn in the economic development trend. From January to May this year, its GNP showed an increase of 11.8 percent over that of the same period last year, marking the largest increase in recent years. However, the deficits of state-owned enterprises were still on the rise, and the difficulty in the employment and reemployment of staff members and workers remained very serious. The provincial party committee and government have paid much attention to this issue and drawn up a series of relevant policies. All pertinent departments have also made active efforts to adopt various measures. It is believed that Heilongjiang's placement of women workers will be improved thanks to the hard work of all fields of society.

Pertinent leaders of the provincial labor bureau, trade union council, and women's federation as well as Harbin city also gave reports on the placement of laid-off women workers from different perspectives.

Zhou Wenhua, chairman; Huang Feng, vice chairman; and Zhang Huanchen, secretary general of the provincial CPPCC committee; were present when the reports were given. The inspection group arrived in Harbin on 26 June. It will visit two large and medium-sized state-owned enterprises in Harbin and Mudanjiang cities for 10 days to learn about the placement of laid-off women workers.

Jilin Acting Governor Holds Office Work Meeting
SK2706060495 Changchun JILIN RIBAO in Chinese
18 Jun 95 p 1

[Article by reporter Liu Li (0491 0500): "Acting Governor Wang Yunkun Sponsors an Office Work Meeting"]

[FBIS Translated Text] On the morning of 17 June, the provincial government held an office work meeting.

Acting Governor Wang Yunkun set forth requirements for how to achieve the current work.

Wang Yunkun pointed out: Through the concerted efforts of the people from higher levels downward across the province, our province has a good economic foundation and a good work foundation. The province's current situation is generally good at present. The guiding ideologies, targets, and measures for the future work have been clearly defined. The key hinges on implementing these ideologies, targets, and measures. We should continue to persist in and implement the basic line of the party, to firmly grasp the major tasks of the whole party and the whole nation, to take the economic construction as a key link, and to maintain the continuity of the work. We should unite as one, be inspired with enthusiasm, do our work in a down-to-earth manner, and promote a sound development of all undertakings in the province.

Wang Yunkun stressed: The tasks in the latter half of the year are very heavy, and there are also great difficulties. The government leaders at various levels should further enhance the sense of responsibility, go deep to the reality to conduct investigations and study, grasp major contradictions, arrange work in the order of importance and urgency, and attend to implementation. In agriculture and rural work, we should focus on increasing agricultural input and the peasants' income. In industry, we should focus on grasping the reform of state-owned enterprises and particularly exert efforts to enliven state-owned large and medium-sized enterprises. In the work relating to foreign economic relations and trade, we should set our sight on establishing links with international markets, readjusting the export product structure, and enhancing competitiveness. We should

continue to exert efforts to achieve price regulation and control and enliven market circulation. We should conscientiously implement the strategy of "relying on science and education to rejuvenate the country," and realistically implement to the letter various measures for rejuvenating the province with science and technology. We should look squarely at the contradictions and problems in economic and social activities, make efforts to solve them, well guide social mass media, and safeguard social stability.

Wang Yunkun urged: Government organs should further improve work style and realistically change impetuous practice. When conducting investigations and study among the grass roots, we should really go deep to the reality to understand workers and peasants' production and living situations, listen to their opinions and complaints, and narrow the relationship with the masses. We should regard reality seeking and handling of concrete work as key standards for judging the work of the governments, fulfill our duties, and strive to make real efficiency. We should do more concrete and good deeds for the people and certainly live up to the expectations of the party and the people.

Present at the meeting were some vice governors, including Liu Xilin, Wang Guofa, Wei Minxue, Sang Fengwen, and Liu Shuying; and Wu Guangcai, secretary general of the provincial government. They pledged to further be inspired with enthusiasm; do their duties; work in coordination and cooperation with one another; keep forging ahead; continue to achieve the province's reform, opening up, and modernization; and strive to elevate the province's economy to a new height in the next three years.

XINHUA Commentary Views Relations

OW2706115995 Beijing XINHUA Domestic Service
in Chinese 0449 GMT 25 Jun 95

[Commentary by XINHUA reporter Duanmu Laidi (4551 2606 0171 1229): "We Should Develop Hong Kong-Taiwan Relations by Upholding the 'One China' Principle"]

[FBIS Translated Text] Beijing, 25 Jun (XINHUA) — As the date for China to resume the exercise of sovereignty over Hong Kong approaches, people become more and more concerned about Hong Kong-Taiwan relations after 1997. On behalf of the State Council, Qian Qichen announced seven basic principles and policies for Hong Kong to handle issues related to Taiwan after 1997. The principles and policies have defined Hong Kong-Taiwan relations under the "one China" principle, and specified the jurisdictions of the Central Government and the Hong Kong Special Administrative Region [SAR] Government for handling issues related to Taiwan in Hong Kong. The measures will be conducive not only to further strengthening Hong Kong-Taiwan nongovernmental exchanges, but also to maintaining long-term prosperity and stability in Hong Kong under the principle of "one country, two systems."

The crux of the seven basic principles and policies announced by Qian Qichen is to uphold the "one China" principle. After returning to the motherland on 1 July 1997, Hong Kong will implement the policy of "one country, two systems," and become a SAR directly under the Central People's Government's jurisdiction. Both Taiwan and Hong Kong are inalienable parts of China. Their relations are not that of subordinate and superior units, but are a special component in cross-strait ties. In light of the above principle, we should be absolutely sure of the following aspects: The Central People's Government shall arrange and handle all issues related to state sovereignty and cross-strait ties, or the Hong Kong SAR Government shall handle them under the Central People's Government's guidance; and when conducting various exchanges and visits, Hong Kong and Taiwan must pursue the "one China" principle. Consequently, we will have taken into account the current conditions of Hong Kong and Taiwan, and will have taken care of Hong Kong and Taiwan people's actual interests.

The Central People's Government encourages and welcomes Taiwan residents and various Taiwan funds to invest, trade, and conduct other industrial and commercial activities in Hong Kong. It also specifies that after 1997, Taiwan organizations and personnel in Hong Kong may continue to stay behind and carry on various

exchanges between Taiwan and Hong Kong. However, while conducting their activities, they must strictly uphold the Hong Kong Basic Law and do not violate the "one China" principle. In other words, no Taiwan organization and personnel in Hong Kong shall be allowed to conduct activities involving "two Chinas" or "one China, one Taiwan."

Hong Kong is an international commercial city and an international trading, shipping, and financial center. It need to develop economic and commercial ties with various regions in the world while exchanging visits of academic and cultural personnel with them. Meanwhile, Taiwan and Hong Kong have been maintaining close ties, with economic and trade personnel visiting each other frequently. According to statistics, Taiwan compatriots made 2 million entries to and exits from Hong Kong annually, and Taiwan investments in Hong Kong reached several billion U.S. dollars. Safeguarding and developing these mutually beneficial relations not only suits the Hong Kong and Taiwan people's basic interests and wishes, but also is conducive to facilitating common stability and prosperity in Hong Kong and Taiwan.

To develop Hong Kong-Taiwan relations by upholding the "one China" principle, we should oppose any moves aimed at creating "two Chinas" or "one China, one Taiwan." Recently, the Taiwan authorities came up with a so-called "Hong Kong and Macao Relations Act," which unilaterally regulates nongovernmental exchanges between the Hong Kong and Macao regions and the Taiwan region after "1997" and "1999," and attempted to bypass the Central People's Government and directly deal with the Hong Kong SAR in the future. In his speech on cross-strait ties on 8 April, Li Denghui [Li Teng-hui] announced Taiwan will "jointly safeguard prosperity in Hong Kong and Macao and promote democracy in Hong Kong and Macao." As we all know, when China and Britain were holding talks on Hong Kong's future, Taiwan never voiced its support from a stance that advocated China's reunification. Later, Taiwan unexpectedly declared it did not recognize the Sino-British Joint Declaration. After the Hong Kong Basic Law was promulgated, the Taiwan authorities repeatedly opposed and attacked the Basic Law and the policy of "one country, two systems," and incite discord in the relations between Hong Kong compatriots and the Central People's Government. Now, the fact that Taiwan proposes to "jointly administer" Hong Kong obviously indicates its attempt to interfere in Hong Kong affairs during the transition and to "obstruct China from resuming the exercise of sovereignty over Hong Kong." While handling the Hong Kong issues, Taiwan aims, in the final analysis, to create "two Chinas," and to attain

the status of "a political entity on an equal footing," thereby introducing obstacles for the motherland's reunification.

The seven basic principles and policies announced by Qian Qichen indicated once again: China absolutely will not budge an inch from the "one China" principle. The Central People's Government has always been firm and unshakable when dealing with major issues on state sovereignty, territorial integrity, and the motherland's reunification. Any attempt to create "two Chinas" or "one China, one Taiwan" will be futile. We believe: With support from the Chinese people across China, including Taiwan compatriots as well as Hong Kong and Macao compatriots, the "one China" principle is firm and unshakable.

Li's 'Pragmatic Diplomacy' Obstructs Unity

HK2706123395 Beijing RENMIN RIBAO OVERSEAS EDITION in Chinese 22 Jun 95 p 5

[Article by Miu Qun (4924 5028): "The Essence of 'Pragmatic Diplomacy' Is Splitting the Motherland"]

[FBIS Translated Text] Recently, Taiwan's Li Deng-hui [Li Teng-hui] has quite obviously revealed his idea of Taiwan independence. Nevertheless, because of the restrictions and pressure of internationally acknowledged laws and historical facts, he manifested a mind set of "talking about reunification while being unwilling to reunify, saying yes and meaning no; desiring Taiwan independence with misgivings, and not being bold enough to declare independence." To achieve the goal of "independence," he resorted to the most fashionable "method of packaging" in the world, concealed his true face with a veil of "pragmatic diplomacy," and camouflaged himself to impede and damage [zhu ai he po huai 7091 4293 0735 4275 0975] the development of cross-strait relations.

In recent years, Li has spared no efforts to pursue his "pragmatic diplomacy." The so-called "flexible [tan xin 1734 1840] diplomacy," "vacation diplomacy," "transit diplomacy," "attending celebration [guan li 6034 4409] diplomacy," "private [4424 0086] diplomacy," and the most recent "alumni [xiao you 2699 0645] diplomacy" during his visit to the United States — all these are variations of "pragmatic diplomacy" packaging. He has tried in a vain to "re-enter" the United Nations," and internationalize the "Taiwan issue" to realize his day-dream of "one China, one Taiwan," and "two Chinas."

The Chinese nation is a great nation that boasts a tradition of "great unity," with a very strong rallying force. From Confucius to Dr. Sun Yat-sen, the idea of the "great unity of the Chinese nation" has been advocated and propagated. This is the foundation underlying all

efforts of the Chinese nation to build the country as well as a strong spiritual pillar for the country to become prosperous and mighty, for the nation to thrive, and of the people's health and happiness. In Chinese history, there have been many episodes of "division" and "reunification." "Division" against the historical current was caused by some ambitious schemers who were blinded by lust for gain; whereas "reunification" was the destination of the national culture, psychology, and historical development. "Nine streams course majestically through the land, our trunk line, north to south, silently binds." Taking a panoramic view of the progress of historical development, we find that reunification has been the main current and the rule, praised by the Chinese people; whereas splitting up has been an adverse current, going against the rule, and rejected by history. It is inevitable that Li's "pragmatic diplomacy" should be opposed by the descendants of the Chinese nation at home and overseas.

Important progress has been made in cross-strait relations under the joint efforts of compatriots in both Taiwan and the mainland. However, because of the continuous interference of Li's "pragmatic diplomacy," the development of cross-strait relations has been continuously pounded.

The Taiwan authorities have placed "pragmatic diplomacy" above the great cause of reunification of the motherland, directly confronting the unity of state sovereignty and territorial integrity; that is very dangerous.

Viewing the lessons drawn from Chinese history, the "rise" or "decline" of the Chinese nation has depended upon its "unification" or "division." When the nation was unified, it was "well-governed," when it was not, it invariably spelt "chaos"; thus we can only choose the road of national reunification. This is the road to the reinvigoration of the Chinese nation, to the country being prosperous and powerful, and to the happiness of the people. To accomplish the reunification of China, it is imperative to respect history and face realities squarely, while simultaneously taking into consideration the practical interests of Taiwan and the mainland.

The essence of reunification is the realization of the unification of state sovereignty and territorial integrity, which is supreme. Let us jointly shoulder the mission of promoting the reunification of the motherland, break through the resistance of "pragmatic diplomacy," and contribute our wisdom and strength to welcoming the brilliant future of the Chinese nation in the 21st Century.

Mainland Press Delegation Visits Taiwan

HK2706124295 Hong Kong ZHONGGUO TONGXUN SHE in Chinese 0941 GMT 22 Jun 95

[FBIS Translated Text] Hong Kong, 22 Jun (ZHONGGUO TONGXUN SHE)—A 10-member press delegation headed by Guo Rui, director of ZHONGGUO XINWEN SHE [ZXS], will arrive in Taiwan for an eight-day visit on 23 June at the invitation of the CHUNG-YANG TUNG-HSUN SHE [Central News Agency].

Zhang Mingqing, deputy director of the ZXS Hong Kong-Taiwan-Overseas News Research Center, will act as adviser to the delegation. Zhang has worked as a journalist for a long time and is now director of the Information Bureau under the State Council's Taiwan Affairs Office. He told the media before leaving for Taiwan that he would go to Taiwan as a non-government professional journalist.

The other members of the delegation are: Chen Liyu, director of the ZXS Hong Kong-Taiwan-Overseas Department; Gu Lijun, chief of the ZXS Anhui branch; An Zhiguang, deputy editor-in-chief of FAZHI RIBAO; Qin Liwen, chief editor of FAZHI RIBAO; Han Zhuping, deputy director of the RENMIN RIBAO OVERSEAS EDITION Taiwan-Hong Kong-Macao-Overseas Chinese Department; Cao Ruitian, deputy director of the RENMIN RIBAO OVERSEAS EDITION Economic Department; Li Shangzhi, editor-in-chief of JIEFANG RIBAO; and Dong Qiang, deputy director of the JIEFANG RIBAO Political-Legal Department.

While in Taiwan, the delegation will tour south Taiwan as well as visiting various media and the Straits Exchange Foundation.

Taiwan Helps Mainland Flood Victims

OW2806082695 Beijing XINHUA in English 0705 GMT 28 Jun 95

[FBIS Transcribed Text] Beijing, June 28 (XINHUA)—Charity organizations in Taiwan, including the Taiwan Red Cross, have donated 200,000 U.S. dollars to aid flood victims in Hunan, Hubei, Anhui, Sichuan, Jiangxi and Jiangsu provinces.

The donation, which has been remitted to the headquarters of the Bank of China, is the first of its kind the China Red Cross has received since southern parts of the country were hit by floods this May, according to the China Red Cross.

Taiwan compatriots learned about the floods from the media and are very concerned about the victims, a senior official of the Taiwan Red Cross said in a letter.

So far, the China Red Cross has informed the Hong Kong Red Cross and the International Federation of Red Cross and Red Crescent Societies of the flood situation

It has also set up a disaster relief coordinating committee headed by some of its leading officials.

Reportage on Continuation of Ku-Wang Talks**SEF's Li Views Plans**

OW2706141495 Taipei TZU-LI WAN-PAO in Chinese
22 Jun 95 p 2

[FBIS Translated Text] President Li Teng-hui's U.S. visit and Premier Lien Chan's European visit have had an impact on mainland China's Taiwan policy. It has been learned that mainland China is likely to call a meeting with Taiwan Affairs Office [TAO] directors from various localities within the next few days. In view of such a development, the Association for Relations Across the Taiwan Straits [ARATS] feels it is powerless in deciding when to hold the second round of Ku-Wang talks.

Straits Exchange Foundation [SEF] Deputy Secretary-General Li Ching-ping, who just concluded a visit to the mainland, said: According to his understanding acquired from his recent mainland visit, ARATS Chairman Wang Tao-han [Wang Daohan] and Vice Chairman Tang Shu-pei [Tang Shubei] did not want to postpone the Ku-Wang talks; however, President Li's and Premier Lien's overseas trips have affected mainland China's Taiwan policy. The mainland certainly will make adjustments to its Taiwan policy to accommodate the new situation. Therefore, the issue of when to hold the second round of Ku-Wang talks is beyond the control of ARATS.

According to news from Peking [Beijing], mainland authorities tentatively decided to delay the second round of Ku-Wang talks on 10 June and instructed Tang Shu-pei to make a special trip to Shanghai on 11 June to inform Wang Tao-han of this decision. ARATS informed SEF of the postponement on 16 June, after receiving the mainland authorities' final decision. Under such a policy set by mainland authorities, it was inconvenient for Wang Tao-han to meet with a SEF cultural and educational delegation, which had already arrived in Shanghai. While deciding to postpone the Ku-Wang talks, mainland authorities also instructed TAO directors in various localities to leave for Peking. There are indications that TAO directors from various localities will come to Peking to discuss Taiwan policy under the new cross-strait situation and to make adjustments to the policy in light of the new situation.

When President Li's U.S. visit was confirmed, the ARATS still sent Tang Shu-pei to Taiwan to hold the first preparatory meeting for the second round of Ku-Wang talks. Tang Shu-pei and SEF Secretary General Chiao Jen-ho have settled on a date and agenda for the second round of Ku-Wang talks. However, only after President Li delivered a speech at Cornell University on 9 June did mainland authorities think that the situation was serious and that mainland China should respond to

Taiwan's move strongly to express its dissatisfaction. Since then, ARATS has not been able to decide when to hold the second round of Ku-Wang talks.

A policy-making official said he was surprised at mainland China's intensified protests against Taiwan. He said President Li's U.S. visit was very successful; however it was still a private visit. Moreover, expanding Taiwan's foreign relations, a policy set by the government, is of positive significance in cross-strait relations. He added our government should keep a low-profile for the time being and observe mainland China's future moves so as to decide how to respond.

SEF's Shi Comments

OW2806030995 Taipei CNA in English
0215 GMT 28 Jun 95

[By Benjamin Yeh: "Beijing's Postponement of Cross-Strait Talks Lambasted"]

[FBIS Transcribed Text] Taipei, June 27 (CNA) — A ranking Straits Exchange Foundation (SEF) official on Tuesday lashed out at Beijing for its unilateral postponement of the scheduled private high-level talks between the two sides.

"Beijing used to emphasize that the high-level talks between SEF Chairman Ku Chen-fu and Association for Relations Across the Taiwan Strait (ARATS) Chairman Wang Daohan would be private in nature, but now they have halted the talks for political reasons," said Shi Hwei-yow, SEF deputy secretary-general.

Beijing announced in mid-June the postponement of the talks, originally slated for late July, after ROC president Li Teng-hui made a private trip to the United States to attend alumni activities at his alma mater, Cornell University.

"The move is a broad indications of the fragile ties between the two sides," said an outspoken Shi, who has been Taiwan's chief negotiator regarding legal issues at previous cross-strait talks.

Shi stressed that both sides had agreed to hold secretary-general-level talks every half a year. "Such talks, intended to solve technical issues, should not be postponed for any reason whatsoever," Shi said.

On the same day, SEF Chairman Koo said the SEF may soon talk with its mainland counterpart over the next round of technical talks, originally scheduled to be held either in July or August.

Council Awaits Notice

OW2806113595 Taipei CNA in English
1013 GMT 28 Jun 95

[By Sofia Wu]

[FBIS Transcribed Text] Taipei, June 28 (CNA) — Taiwan is still waiting for Beijing notice of when a planned high-level meeting between the two intermediary bodies on both sides of the Taiwan Strait can be held, a senior mainland affairs official said Wednesday [28 June].

"We sincerely hope that the second Ku-Wang meeting can be held in July as scheduled, but, as Beijing has asked for a postponement, we should wait for further notice from the mainland," said Kao Kung-lien, chairman of the Mainland Affairs Council (MAC).

The second Ku-Wang meeting refers to a rendezvous between C.F. Ku, chairman of the Taipei-based Straits Exchange Foundation (SEF), and Wang Daohan, chairman of Beijing's Association for Relations Across the Taiwan Strait (ARATS), which was originally scheduled to open in Beijing on July 20.

Both SEF and ARATS are semi-official bodies founded by their respective governments to handle cross-Taiwan Strait exchanges in the absence of official contact.

Kao said the MAC, which oversees SEF operations, hopes institutionalized cross-strait dialogue can be continued to boost mutual understanding and forge goodwill for future cooperation.

Meanwhile, SEF Vice Chairman Chiao Jen-ho said he hopes Beijing will not boycott the holding of a fourth meeting between him and his ARATS counterpart, Tang Shubei, scheduled to be held in late July or August.

According to an agreement reached during the first Ku-Wang meeting held in Singapore in April 1993, vice chairmen of the two intermediary bodies should meet alternately in Taipei and Beijing once every six months. The third Chiao-Tang meeting was held in Beijing in January and the two should meet again in Taipei in July, according to that agreement.

Chiao said the SEF has not yet consulted with ARATS about the fourth Chiao-Tang meeting.

Spokesman Rebuts U.S. on UN Membership

OW2806102795 Taipei CNA in English
0946 GMT 28 Jun 95

[By Sofia Wu]

[FBIS Transcribed Text] Taipei, June 28 (CNA) — The Republic of China [ROC] is an independent sovereign state, having a legitimate right to join the United

Nations, Foreign Ministry spokesman Rock Leng said Wednesday [28 June].

Leng was commenting on a statement by U.S. State Department spokesman Nicholas Burns who told a regular news briefing on Tuesday that the United States does not recognize Taiwan as a state and therefore cannot consider Taiwan's offer of U.S.\$1 billion in exchange for United Nations membership as an "active proposition."

Nevertheless, Burns agreed that the ROC's offer to set up a U.S.\$1 billion fund to help needy countries after it is admitted to the UN is a "bold and creative" idea.

Refuting Burns' statement, Leng said the ROC has existed for 84 years. Although the ROC lost the Chinese mainland to the communists in the 1940s, it has continued to exist and prosper in Taiwan, Leng said.

The ROC government has exercised full jurisdiction in Taiwan, Penghu, Kinmen and Matsu and its 21 million population is larger than more than two-thirds of UN member states, Leng said. Moreover, he added, the ROC now maintains formal diplomatic ties with 29 countries.

The ROC was a UN founding member and was forced out of the world body after Beijing took over the China seat in the UN in 1971.

As Beijing has never ruled Taiwan for a single day, Leng said, it cannot represent the 21 million people living in Taiwan, Penghu, Kinmen and Matsu. "We hope the UN, while celebrating its 50TH founding anniversary, will seriously consider our desire to have a voice in the world body," he urged.

Time 'Not Yet Ripe' for Discussion on UN Entry

OW2806062895 Taipei LIEN-HO PAO in Chinese
27 Jun 95 p 2

[FBIS Translated Text] UN Secretary General Butrus Butrus-Ghali said recently that it is better to settle the issue of Taiwan's UN entry through cross-strait negotiations. Vice Foreign Minister Fang Chin-yen said yesterday that Butrus-Ghali's remark is sufficient to prove that he has recognized the issue of the Republic of China's 21 million people and the need to seek a solution to the issue. However, the time is not yet ripe for the two sides to discuss the issue of UN entry, Fang Chin-yen added.

Japan 'Has No Right' To Bar Li From Meeting*OW2806112395 Taipei CNA in English
0940 GMT 28 Jun 95***[By Debbie Kuo]**

[FBIS Transcribed Text] Taipei, June 28 (CNA) — The Japanese Government has no right to decide unilaterally whether President Li Teng-hui of the Republic of China [ROC] should attend the informal APEC leadership summit to be held in Osaka in November, the Ministry of Foreign Affairs (MOFA) said Wednesday [28 June].

MOFA spokesman Rock Leng noted that as Taiwan is a full member of the Asia-Pacific Economic Cooperation (APEC) forum, whether President Li is invited to the summit should be decided by all APEC members, rather than by Japan, even though it is hosting the gathering.

On Tuesday, a Japanese parliamentary group that promotes Japan's substantive relations with the ROC asked the Japanese Government to allow ROC President Li Teng-hui to visit Japan.

The demand was made when Tatsuo Ozawa, chairman of the New Frontier Party's Dietmen's Council for Japan-ROC Relations, and three other leading members of the council paid a call on Foreign Minister Yohei Kono. The council consists of 102 Diet members from the Lower House and the Upper House.

The New Frontier Party, formed by nine non-communist parties and groups last December, is the major opposition party in Japan. A letter delivered to the foreign minister by Ozawa said that President Li's recent visit to the United States had a "commendable outcome."

It said President Li, an alumnus of Kyoto University, has expressed his desire to come to Japan for an alumni reunion and for the informal APEC leadership summit to be held in Osaka in November.

The letter asked the Japanese Government to make an "appropriate response" so that Li can visit Japan.

Answering Ozawa's inquiry, Foreign Minister Kono said in deference to the "Japan-China statement" and the "one China policy," Japan is following the Seattle and Bogor formula in dealing with the APEC meeting. President Li didn't attend the APEC meetings held in Seattle in 1993 and Bogor, Indonesia in 1994.

Li Views Mainland's Agricultural Development*OW2806035395 Taipei CNA in English
0154 GMT 28 Jun 95***[By Flor Wang]**

[FBIS Transcribed Text] Taipei, June 27 (CNA) — President Li Teng-hui on Tuesday called on the local

industrial sector to set up an agricultural-development fund for Mainland China.

Li made the remarks during a meeting with Chinese National Federation of Industries chairman Kao Ching-yuan and 13 high-ranking officials with the federation. Wu Poh-hsiung, secretary-general to President Li, was also present.

Although mainland authorities have taken measures to increase agricultural output, President Li said that if more concerted steps are not taken, the mainland faces a grain shortage of 300 million tons by 2000. He said the shortage could cause political uncertainties on the mainland and have a negative impact on Taiwan.

"The problem in Mainland China lies in its agriculture sector. If its agricultural proficiency cannot be efficiently improved, then Mainland China's political stability will be greatly affected," Li said.

Li also suggested that in order to deal with the expected future shortage of pork on the domestic market, the industrial sector consider setting up pig-raising ventures in Vietnam or feed factories in the mainland — which would also help the mainland's agricultural development.

Plans for Use of Qatar's Natural Gas Examined*OW2806035595 Taipei CNA in English
0157 GMT 28 Jun 95***[By Kuo Ping-ying & Benjamin Yeh]**

[FBIS Transcribed Text] Riyadh, June 27 (CNA) — The Chinese Petroleum Corp.'s plan to purchase liquefied natural gas (LNG) from Qatar should not be affected by the palace coup that took place in Qatar early Tuesday morning, a CPC official here said.

"The business ties between the CPC and the oil state should remain intact," the official said, adding that those ties will be clarified when the new government is stabilized.

The state-run CPC signed a letter of intent with Qatar earlier this year for the purchase of LNG, but the two sides have yet to seal a formal contract.

Qatar, which sits on one of the world's largest gas reserves, is the world's No. 3 LNG supplier.

According to the QATAR NEWS AGENCY, the amir of Qatar, Shaykh Khalifah bin Hamad al-Thani, was ousted on Tuesday by his son, Crown Prince Shaykh Hamad bin Khalifa al-Thani.

More Foreign Banks Interested in Opening Offices
OW2806032595 Taipei CNA in English
0149 GMT 28 Jun 95

[By Flor Wang]

[FBIS Transcribed Text] Taipei, June 27 (CNA) — A dozen leading foreign banks have expressed interest in setting up representative offices in Taiwan, Tsai You-tsai, deputy director of the Finance Ministry's Bureau of Monetary Affairs, said on Tuesday.

The banks, all of which rank among the world's 500 largest, include three from Japan — the Sanwa Bank, the Sakura Bank and the Mitsubishi Bank — and three from the United States, two from Singapore, and one each from the Philippines and Indonesia, Tsai noted.

Several Russian and Czech banks also have contacted the Finance Ministry for the same purpose, according to Tsai.

Tsai said the Finance Ministry is also "very willing" to help foreign banks with representative offices here upgrade those offices to branches. He added that many foreign banks with strongholds here are among the world's 20 largest banks.

Bank Savings, Loans Hit Record Highs
OW2806035695 Taipei CNA in English
0202 GMT 28 Jun 95

[By Debbie Kuo]

[FBIS Transcribed Text] Taipei, June 27 (CNA) — Taiwan domestic commercial banks recorded highs in

both amount of overall savings and total loans given out in May, indicating a heating-up of the economy, the Central Bank of China (CBC) said Tuesday.

Savings at Taiwan domestic banks hit NT [new Taiwan] \$6.018 trillion (US\$235.08 billion) during the month, or a 13 percent increase over May 1994.

The domestic banks are only part of the huge network of financial institutions in Taiwan that have savings-and-loan operations, including foreign banks, enterprise banks, credit cooperatives, professional banks, investment and trust companies, postal savings systems, and life insurance companies. CBC officials estimated that total savings at all financial institutions at the end of May amounted to NT\$13.3 trillion (US\$519.53 billion).

In addition, loan payouts from domestic commercial banks in May increased 15.79 percent over a year-earlier level to NT\$6.999 trillion (US\$273.39 billion).

Among the loans payouts, payments for current operations totaled NT\$3.505 (US\$136.91 billion), followed by NT\$2.745 trillion (US\$107.22 billion) for real estate, NT\$557.7 billion (US\$21.79 billion) for movable properties, and NT\$191.14 billion (US\$7.46 billion) for business investments, the officials said.

Hong Kong

Committee Official Reviews Subgroups' Work

OW2806042795 Beijing XINHUA Domestic Service
in Chinese 1444 GMT 24 Jun 95

[By reporters Duanmu Laidi (4551 2606 0171 1229)
and Fang Jin (2455 3866)]

[FBIS Translated Text] Beijing, 24 Jun (XINHUA) — Following the close of the fifth plenary meeting of the Preliminary Working Committee [PWC] of the Preparatory Committee for the Hong Kong Special Administrative Region [SAR] today, PWC Deputy Secretary General Chen Ziyang briefed reporters on the work conducted by the PWC's five special subgroups in the past six months and answered their questions.

Chen Ziyang said: Since the fourth plenary meeting of the PWC last December, the five special subgroups have held 22 subgroup meetings. All special subgroups have fulfilled their work plans.

Chen Ziyang first explained the work of the Government Affairs Subgroup. He said: The Government Affairs Subgroup held five meetings in the past six months. It further discussed the establishment of an advisory organization for the first Hong Kong SAR government; the establishment of agencies of the first government and the scope of its chief officials; the stability of public service ranks and organization; the arrangement for direct district elections as the method for selecting the first legislative council; restrictions on the percentage of legislative council members having foreign nationality or permanent residence and specific steps for enforcing the restrictions; the establishment and organization of the Final Court of Appeal of the Hong Kong SAR; the establishment of the Hong Kong SAR Basic Law Committee; and the contents of the oaths used in swearing in various types of personnel of the Hong Kong SAR.

He said: PWC members expressed their views and gave suggestions on a variety of issues affecting the stability of the ranks and organization of Hong Kong's public service. Their views and suggestions have been accepted and welcomed by Hong Kong public servants.

Chen Ziyang said: To ensure that Hong Kong has a court of final appeal and an independent and comprehensive judicial system at the time of the establishment of the SAR, the Government Affairs Subgroup, after numerous discussions, put forward an eight-point proposal on the principles governing the organization of Hong Kong SAR's Court of Final Appeal. These proposals were fully adopted by the Sino-British Joint Liaison Group [JLG] during the negotiations on the issue of the Court of Final Appeal.

He said: During the second half of this year, the Government Affairs Subgroup will further focus on the specific method for selecting the election committee for the first government; issues related to the establishment of the SAR Preparatory Committee; the specific method for producing the first legislative council; the way of handling the lack of a regional organization resulting from the failure to produce the first regional organization; and the operation of the interim legislative council.

Chen Ziyang then briefed reporters on the work of the Economic Subgroup. He said: In the last six months, the Economic Subgroup has held five subgroup meetings and sponsored a forum and a symposium to study issues related to Hong Kong's finance, banking, large-scale capital construction projects; financial relations between Hong Kong and the mainland; and economic relations and trade between Hong Kong and the mainland.

On the question of compiling a Hong Kong government budget for the transition period, the Economic Subgroup held that in accordance with the relevant stipulations of the Sino-British Joint Declaration, the Chinese side should play a dominant role in compiling the budget for fiscal year 1997/1998. Since there are inherent connections and continuity between the 1997/1998 budget and the 1996/1997 budget, the Chinese side should take part in the process of compiling the 1996/1997 budget as soon as possible, to facilitate the smooth transition of Hong Kong's finances. At the request of the experts group on the Chinese side, committee members Zhong Shiyuan, Fang Huang Jiwen [Fong Wong Kiu-man], Shao Yubao, and Huang Yihong, personally took part in budget compilation and served as advisory to the experts group on the Chinese side.

On the question of financial relations between Hong Kong and the mainland after 1997, the Economic Subgroup put forward, in accordance with the Basic Law, a nine-point proposal on the major principles for correctly handling financial ties between Hong Kong and the mainland. The major points of the proposals are as follows: The Hong Kong SAR shall enact its own financial laws and regulations; the SAR government shall itself formulate and implement monetary policies; and financial transactions between the mainland and Hong Kong will be regarded as international financial transactions to be conducted in accordance with the regulations and practice governing international transactions.

Chen Ziyang said: Social circles in Hong Kong are profoundly concerned about the landfill issue in the Victoria Port, worrying that this will disrupt Hong Kong's harbors, environment, ecology, and navigation and damage Victoria Port's natural advantages. After hearing the views of various quarters, the Economic

Subgroup proposed that the landfill issue be submitted to the Sino-British JLG for discussion and that the landfill project be postponed until an agreement is reached through consultation between the Chinese and British sides. This proposal has received the approval of the responsible department of the Chinese Government, and the landfill issue has been placed on the agenda of the Sino-British JLG.

On the issue of land and housing policy, the Economic Subgroup studied several policy issues requiring clarifications and discussed the question of the number of years for land lease to be granted or renewed by the SAR government after 1997. It proposed that the term of lease must not be confined to 2047 lest the normal development of the real estate industry be affected.

Chen Ziyang briefed reporters on the work of the special law, cultural, and social and security subgroups. He said: The Law Subgroup held five meetings during the first half of this year to continue its review of 230 existing statute regulations and auxiliary legislations. So far, it has completed the review of 446 chapters of the regulations and auxiliary legislations. The subgroup will try to complete the remaining regulations and auxiliary legislations before the PWC's sixth plenary meeting. In view of the existence of conflicts with the Basic Law, the Law Subgroup put forward "Views on the Principle Governing the Use of Hong Kong's Existing Laws as the Law of the Hong Kong SAR."

Chen Ziyang told reporters: The Cultural Subgroup held three meetings, mainly to discuss the question of publicizing and promoting the Basic Law; the establishment of a Hong Kong SAR honorary title system; participation by Hong Kong sports organizations in international organizations and international competitions and activities; nongovernmental celebrations in 1997; and major policy shifts by the British Hong Kong government in cultural, sports, and media matters during the later transition period. The subgroup also put forward a number of proposals.

He continued: The Social and Security Subgroup held four meetings, mainly to discuss SAR travel documents and cooperation between mainland and Hong Kong law enforcement departments in cracking down crime.

At the news briefing, Chen Ziyang also answered reporters' questions. When a reporter asked about his views on the central authorities' basic principles and policies on handling issues related to Taiwan in Hong Kong after 1997, Chen Ziyang said: How to handle relations between Hong Kong and Taiwan after 1997 is an important issue facing us before the establishment of the SAR government, and it is also an issue of general concern among Hong Kong compatriots. Specific terms

for resolving this issue are now on the agenda. The Central People's Government has considered Hong Kong's history and reality, in accordance with the concept of "one Country, two systems" put forward by Comrade Deng Xiaoping and the guidelines of his speeches on relations between Hong Kong and Taiwan after 1997. It has also adhered to the "one China" principle, after doing a tremendous amount of investigation and research and extensively hearing the views of Hong Kong people and various other quarters, in formulating the basic principles and policies for handling issues related to Taiwan in Hong Kong. The principles and policies are not only conducive to safeguarding Hong Kong and Taiwan compatriots' legitimate rights and interests but are also conducive to maintaining Hong Kong's long-term prosperity and stability. The PWC has paid close attention to this. After Vice Premier Qian Qichen announced these basic principles and policies on behalf of the State Council, the PWC broke into three groups to hold earnest discussions. PWC members completely agree with the seven basic principles and policies established by the Central People's Government on handling issues related to Taiwan in Hong Kong.

When a reporter asked whether the agreement reached by China and Britain on the question of Hong Kong's Court of Final Appeal will affect Sino-British cooperation on other matters, Chen Ziyang said: The agreement between China and Britain on the question of Hong Kong's Court of Final Appeal incorporates the achievements of the PWC. The signing of this agreement by China and Britain will have a positive impact on the two countries' cooperation on other matters. The British Hong Kong Government should act in accordance with the Sino-British Joint Declaration and cooperate with China in the entire course of Hong Kong's transition to ensure Hong Kong's smooth transition and the successful handover of the political power. For Hong Kong's smooth transition and the Hong Kong people's basic interests, the Chinese side has displayed utmost sincerity and flexibility. It is hoped that the British side will seize the opportunity to cooperate with sincerity.

Official Questions Report on Appeal Court
MS2806113195 London INDEPENDENT in English
28 Jun 95 p 16

[Letter by Richard Hoare, Director of Administration, Government Secretariat, Hong Kong: "Court of Appeal in Hong Kong"]

[FBIS Transcribed Text] Sir: Your report from Hong Kong on 23 June ("Patten shrugs off motion of no confidence") repeats the mistake perpetrated in your

previous article of 10 June ("London 'krowtows' on Hong Kong court") on the recently concluded Court of Final Appeal (CFA) agreement. You state that the agreement "takes away the court's powers to rule on 'acts of state'". This is quite untrue. Nothing in the agreement or the CFA Bill takes away any powers from the court.

The formulation on "acts of state" in the Basic Law will be the law of Hong Kong as from 1 July 1997, regardless of whether or not it is also included in the CFA Bill. And it will be for the courts of the SAR (Special Administrative Region of China) to interpret this formulation, save in exceptional cases which involve an interpretation of a provision of the Basic Law that relates to the powers of the central government, or the relationship between the central authorities and the region.

Both articles also failed to report that the CFA agreement provides for the establishment of a proper Court of Final Appeal that, subject only to the Basic Law, will have the same functions and jurisdiction as the judicial committee of the Privy Council does now in respect of Hong Kong; and that the agreement enables the court to be established on the basis of a Bill passed before the end of July, which means that now two years before it is set up on 1 July, 1997 — there will be certainty about its nature and jurisdiction.

Both articles also quoted Martin Lee as attacking the agreement. But they failed to report the fact that it has been warmly welcomed by the Chief Justice of Hong Kong, by the local and international business community, by Hong Kong's major trading partners — including the US, the EU, Australia, Canada and Japan — and, according to independent opinion polls, by the people of Hong Kong as well.

Paper Criticizes FORTUNE Article

HK2706123795 Hong Kong TA KUNG PAO
in Chinese 15 Jun 95 p A9

[Article by Hsieh Ming (6200 7686): "The Death of Hong Kong? To Hell With FORTUNE!"]

[FBIS Translated Text] There is a financial magazine known as FORTUNE in the United States. In its latest edition there is an article with the shocking title "The Death of Hong Kong." A high reputation invites numerous slander. As Hong Kong is internationally renowned for its economic achievements and 1997 handover, how could it avoid the "numerous slander." Hong Kong became insured long ago and paid no attention to FORTUNE, which vilifies and curses Hong Kong, describing its future as hell.

However, we cannot let it go without distinguishing right from wrong and black from white.

FORTUNE says that Hong Kong's return to Chinese sovereignty in 1997 is the "handover of rule from Britain to the only communist totalitarian state left in the world," implying that "with the handover of rule to corruption and nepotism, Hong Kong is doomed to be divorced from the world."

It views Hong Kong's reversion to Chinese rule in 1997 with ideological hostility and Cold War imperialist prejudice. The writer habitually uses Cold War language to describe the current Chinese regime as if he were resentful of the fact that the Chinese regime did not disintegrate in the footsteps of the disintegration of the Soviet Union. With his prejudiced mind preoccupied with "corruption and nepotism," he knows nothing about China's prosperity as a result of its reform and opening up. As for one country, two systems, Hong Kong people ruling Hong Kong, and the contents of the Basic Law, he also seems to be totally ignorant of them. Who is divorced from the world and fails to face the just reality of China's resumption of sovereignty over Hong Kong?

FORTUNE notes that everything in Hong Kong will change after 30 June 1997. Language will bear the brunt of the change. "English, which is the current dominant language and the international language in commercial circles, will be replaced by Cantonese and Mandarin."

It is surprising that the writer knows nothing about the stipulations in the Basic Law. "The socialist system and policies shall not be practiced in the Hong Kong Special Administrative Region [SAR], and the previous capitalist system and way of life shall remain unchanged for 50 years." "In addition to the Chinese language, English may also be used as an official language by the executive authorities, legislature, and judiciary of the Hong Kong SAR." Changes will certainly take place in the sense that a society continues to develop and change. However, no one can change the social system, which will remain unchanged as prescribed in the Basic Law. After Hong Kong's return to Chinese sovereignty in 1997, Hong Kong will not change the status of English as an official language, while promoting Mandarin for better communication with the mainland and stipulating Chinese as an official written language. Is this not logical and reasonable? The writer does not even know that it has always been the case that most Hong Kong people speak Cantonese. Who is really "divorced from the world"?

FORTUNE adds that "having links with the local influential criminal organizations and triads, the People's Liberation Army [PLA] garrison is to be stationed in the streets of Hong Kong." Almost all Hong Kong people

know this is a lie. The PLA is internationally known for its uprightness, strict discipline, and clear-cut objectives. Slander is useless. After being stationed in Hong Kong in 1997, the PLA garrison will only be responsible for defense and any requests from the SAR Government when necessary. Maintenance of social security in the Hong Kong SAR will still rest with the Hong Kong police force. The formulation that the PLA will "be stationed in the streets of Hong Kong" is intended to mislead the public and serve an ulterior purpose.

FORTUNE also unreasonably attacks China on the questions of the appointment by the central government of the Hong Kong SAR chief executive and main officials, the establishment of the court of final appeal in Hong Kong, and even so-called "media self-censorship." Some of these issues have been resolved either by clear stipulations in the Basic Law or by agreements reached between China and Britain. Others are sheer fabrication. It is lamentable that FORTUNE should view problems and express opinions from the stance of its dislike of China's resumption of exercise of sovereignty over Hong Kong and its support for Britain and for pro-Britain and anti-China forces.

In short, approaching the issue of Hong Kong's return to China in 1997 from an imperialist and colonialist stance, FORTUNE believes that it is a bad thing for Hong Kong to leave Britain for China. Such a fundamental stance or understanding makes two mistakes: One is confusing right and wrong; disregarding self-evident truth and justice; and defending imperialist and colonialist aggression, forcible occupation, and plunder, and smearing the invaded, forcibly occupied, and plundered countries and their people. The other is disregarding the decisive factor for the stability and prosperity of Hong Kong. It is the presence and development of China and its "one country, two systems" policy that solves the Hong Kong issues. It is China's sustained economic growth since its reform and opening that plays a major role in pushing Hong Kong forward. That is, the "China factor," as Hong Kong people generalize, has a decisive impact on the development of Hong Kong. As a result of making these two fundamental mistakes, "The Death of Hong Kong" published in FORTUNE turns into junk full of absurdity.

Columnist Views Challenges Facing Officials

HK2806101395 Hong Kong SOUTH CHINA
MORNING POST in English 28 Jun 95 p 19

[By Willy Wo-lap Lam: "Cadres Join the Queue"]

[FBIS Transcribed Text] On Monday China's top man in Hong Kong, Zhou Nan, hosted a seminar in Beijing on "the latest Hong Kong situation" for 1,300 senior

cadres from civilian and military units including the army's General Political Department, and central party and government organs.

This little-noticed event illustrates perhaps the most overlooked aspect of the 1997 conundrum: in getting ready for the takeover, a key task for old Hong Kong hands such as Mr Zhou is to satisfy the often ravenous demands of major power blocs in Beijing and the regions.

With only two years left to the day of reckoning, the local discourse on 1997 is still mostly confined to the wrestling and contention between Beijing and Hong Kong, for example, on how the future residents of the Special Administration Region (SAR) can be sure the central government will honour the Joint Declaration, the Basic Law, and other legal and verbal commitments to the territory. The democrats and various professional bodies have harped on how Chinese policies on the Court of Final Appeal and the "provisional legislature" for 1997-98 have violated the documents and the pledges.

Meanwhile, the Chinese propaganda machine has tried to convince the declining number of "Hong Kong patriots" that Beijing will live up to its commitments to its six million future charges.

Focusing on the Hong Kong-Beijing dynamics alone betrays a "Hong Kong-centricity" that is both naive and dangerous because it overlooks the bigger picture.

Even assuming President Jiang Zemin's administration is cleaving to the Joint Declaration and the Basic Law — and recent events have cast this in doubt — it must be remembered issues such as the wishes of the Hong Kong populace and international law are not exactly top priority when the Politburo plots its Hong Kong battle.

It is true, of course, that Beijing's principal Hong Kong policymakers such as Mr Jiang, Prime Minister Li Peng and Foreign Minister Qian Qichen will consider the "Hong Kong angle", for example — the post-1997 performance of the local economy — if only from the point of view of how much foreign exchange earnings Beijing can derive.

Mr Jiang and company, however, is spending much more time on how the transition should be structured to best benefit the zhongyang (the "central party authorities" and the State Council) and the scores of power blocs at the central and regional levels.

The latter include the major clans and their political and business interests; the People's Liberation Army (PLA) and army corporations, the intelligence establishment and its business offshoots, mega-central units such as the

People's Bank of China and the ministries of Foreign Affairs and Foreign Trade; state enterprises and their multinational and Hong Kong subsidiaries; plus the heavyweight provinces and cities.

Each of these groupings has its own conception of Hong Kong which, in addition to being quite alien to the Joint Declaration and the Basic Law, can be incompatible with those of other mainland cliques. And nearly all of these blocs have wild fantasies about what Hong Kong can give them in matters of profits and perks. To secure enough "votes" for its survival beyond the 15th Party Congress slated for late 1997, Mr Jiang and his supporters have no choice but to fashion their Hong Kong game-plan according to the demands of both the zhongyang and the power groupings:

In the next two years, Beijing will adopt a time-honoured liangzhangpi ("two layers of skin") approach in putting together the transition structure: one is official and, to some extent, ceremonial, the other is less official and not publicised but for real.

Partly for the consumption of the Hong Kong public and international opinion, Beijing will set up the Preparatory Committee early next year and name the chief executive by the end of 1996.

Somewhat surprisingly, Chief Secretary Anson Chan Fang On-sang has not only made the shortlist of the eight candidates for the SAR supremo's job, but is apparently emerging as a front-runner.

Some observers think this felicitous outcome for Mrs Chan, whom Beijing apparently does not trust, serves to illustrate the "show piece" nature of the official framework for transition.

The unpublicised apparatus for running Hong Kong merits more attention because it will pack more punch than the official SAR administration.

The average Hong Kong resident, however, has no way of finding enough information to make a meaningful comment about this murky mechanism — let alone try to influence it.

There are two tiers to what, for want of a better term, can be called the "shadow administration" of post 1997 Hong Kong: one is on the mainland, the other in Hong Kong.

In the next two years, the Politburo will, on the basis of units including the Hong Kong and Macao Affairs Office and Hong Kong departments or ministries such as foreign trade, finance and intelligence, lick into shape a super-agency that will handle — cynics will say pull the strings behind — the SAR government.

Reflecting the loss of zhongyang authority, practically all the power blocs have, often without Beijing's permission, set up their own "Hong Kong offices" to secure maximum benefits from what some cadres call "the 20th century's last gold mine".

The second tier of the "shadow takeover machine" consists of the several hundreds of cadres Beijing is posting to Hong Kong in the run-up to 1997 and after.

The Politburo is close to naming the cadre who will be Beijing's chief representative in the SAR: he will be both the secretary of the Communist Party of Hong Kong and the head of the Hong Kong office of the State Council.

Front-runner for this top post, which will have wider responsibilities than the director of the Hong Kong branch of Xinhua (the New China News Agency), is reported to be Hainan party secretary and governor Ruan Chongwu.

Mr Ruan is considered an ideal choice: with experience in Shanghai, the special economic zones, the central government and the police forces, he understands which slices of the Hong Kong economic pie disparate factions in the mainland will want.

The only other credible candidate is another member of the "Shanghai faction", Politburo member Huang Ju, who is party boss of the east China metropolis.

However, Mr Jiang probably needs Mr Huang to remain in Shanghai or Beijing to help him with the succession "slugfests".

At the same time, Beijing is grooming cadres who are "both red and expert" to be stationed in Hong Kong to staff various Chinese units and be covertly attached to the official SAR administration. Given Beijing's priorities, the chief executive may have to defer to the party secretary in weighty matters.

The former can perhaps take consolation in the fact that he or she does not need to take on the latter's mind-blowing role of playing referee to the hundred-odd mainland groupings that will be vying for supremacy in post-1997 Hong Kong.

Tenth Anniversary of Chinese Newspaper Marked
OW2706171595 *Beijing XINHUA in English*
1535 GMT 27 Jun 95

[FBIS Transcribed Text] Hong Kong, June 27 (XINHUA) — A banquet was held here today to mark the 10th founding anniversary of the overseas edition of the People's Daily, a leading newspaper in China.

More than 100 local celebrities attended the banquet held in the tower of China Resources tonight.

Henry Fok Ying-tung, Vice Chairman of the National Committee of the Chinese People's Political Consultative Conference and Zhang Junsheng, Deputy Director of XINHUA NEWS AGENCY Hong Kong Branch, were also present on the occasion.

Wu Chunhe, editor-in-chief of the overseas edition of the People's Daily, who arrived here specially for the event, said that the Hong Kong compatriots had showed their concern and support for the overseas edition of the People's Daily ever since it was founded in 1985.

According to Wu, Hong Kong is a major source of readers of the overseas edition of the People's Daily. Currently its circulation has reached over 10,000 in Hong Kong. Besides, the newspaper has also established a branch office here.

Over the years, the overseas edition of the People's Daily has attached great importance to Hong Kong readers by carrying a special edition of the stories concerning the Hong Kong issues every day, Wu said.

By doing so, the newspaper has illustrated the views and stands of the Chinese Government on the Hong Kong issues as well as the opinions of the Hong Kong compatriots over issues concerned, he said.

In the future the overseas edition of the People's Daily will redouble its efforts for the smooth transition and long-term prosperity and stability in Hong Kong, he said.

The overseas edition of the People's Daily is a newspaper set up mainly for the overseas Chinese, Chinese nationals working or studying abroad and foreigners in China to enable them to have a better knowledge of the latest developments in changing China.

So far, the newspaper boasts a circulation of over 300,000 in more than 70 countries and regions. Headquartered in Beijing, the newspaper has also set up six overseas printing centers including Hong Kong and North America.

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